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EU-28

Oilseeds and Products Annual

2017

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Report Highlights:
Total European Union oilseeds area in MY 2017/18 is forecast to increase by about 1.5 percent to almost 12 million hectares. The uptick is explained by increasing areas of all three major oilseeds – rapeseed, sunflower and soybeans. The higher acreage, in combination with somewhat higher yields expectations for rapeseed, leads to a forecast of 32.4 MMT for total oilseeds. Except for winterkill effecting rapeseed plantings in some member states, planting and growing conditions for oilseeds have been favorable this year. Total EU-28 oilseeds meal consumption in MY 2017/18 is estimated to increase slightly year-on-year reaching 53.9 MMT. The growing EU poultry sector is driving demand for protein feed.

Executive Summary:
Coordinator: Roswitha Krautgartner, FAS/Vienna

Production

Total European Union (EU) oilseeds area in MY (marketing year) 2017/18 is forecast to increase by about 1.5 percent to almost 12 million hectares (ha). The uptick is explained by increasing areas of all three major oilseeds – rapeseed, sunflower and soybeans. The higher acreage in combination with somewhat higher yields expectations for rapeseed leads to a forecast of 32.4 million metric tons (MMT) for total oilseeds, an increase of 2.4 percent. Except for winterkill reported in some EU member states (mainly Hungary, Bulgaria and Poland), planting and growing conditions for oilseeds are good but weather conditions in April and May will be crucial for spring plantings and the yields and quality of the rapeseed crop.

The EU is the world's largest producer of rapeseed and rapeseed products; rapeseed production remains the most important oilseed crop produced in the EU. In MY 2017/18, the forecast for planted area of EU rapeseed is 0.7 percent higher compared to the previous year reaching 6.6 million ha. Romania, Poland, Estonia, Czech Republic, Spain, Germany, Hungary and Lithuania report increased rapeseed acreage for MY 2017/18. These acreage gains are not offset by the drastically reduced plantings in Northern France and minor decreases in the United Kingdom. Following the increase in area and somewhat better yields, per hectare rapeseed production is forecast to increase by almost three percent reaching 21 MMT.

Sunflower area is also expected to grow (plus 1.1 percent) from an already high level in the previous MY and may reach 4.22 million ha with a forecasted crop totaling at 8.5 MMT (plus 1.2 percent). High profitability, high demand for crush and trade, and the re-seeding of lost rapeseed area stimulates increasing sunflower plantings. This is especially the case in France, Hungary, Romania, Bulgaria, Italy, Portugal, Germany, and Slovakia.

MY 2017/18 soybean production keeps increasing, but at a relatively low level compared to demand, and at a slower pace than in MY 2016/17. Policy incentives are the primary growth drivers for EU soybean production. Major soybean producing countries within the EU are Italy, France, Romania, Croatia, Austria and Hungary. Rising area is expected in all soybean producing countries except for Croatia. Total soybean area for MY 2017/18 is forecast at 880 thousand ha (plus 8 percent year-on-year) with a total production of 2.5 MMT increasing by 1.4 percent compared to the previous MY. Despite increased production of EU oilseeds, total EU crush is expected to be almost flat at 46.6 MMT in MY 2017/18. Only soybean (and cottonseed but at a very low total volume) crush is forecast to increase.

Consumption and Trade

The EU is highly dependent on imports of oilseeds and oilseeds products (protein meals and vegetable oils) to meet demand for food, feed, and industrial uses, including biofuels production. This is especially true for oilseeds with no or limited domestic production, such as soybeans, soybean products, or palm oil. More than 80 percent of soybeans for crush, over 60 percent of soybean meal, and about 50 percent of sunflower meal must be imported to satisfy the EU demand. Only rapeseed meal production is, on average, equal or somewhat higher than domestic consumption. Total EU oilseeds meal consumption in MY 2017/18 is estimated to be up by 0.2 percent year-on-year reaching 54.5 MMT. The growing EU poultry sector is specifically responsible for driving higher demand for protein feed. Strong world supplies of soybeans and soybean meal are expected to favor the use of soybean products in MY 2017/18 but this may be limited due to high availability and competitiveness of sunflower meal. Due to the demand from the livestock sector, rapeseed meal use is expected to increase by 0.8 percent. Total use of vegetable oils is forecast to decrease by about 0.4 percent to 25.5 MMT which is mainly due to decreased biofuels use. Biofuels production is the second largest use of vegetable oils after food use in the EU. Since more and more vegetable oils are being replaced by waste fats and oils, the use of vegetable oils for biofuels production is declining. This is particularly the case for palm oil. Most EU biodiesel production uses rapeseed oil as the main feedstock.

Policy

On November 30, 2016, the EC released the proposal on the Renewable Energy Directive post 2020 (RED II) as part of the comprehensive "Clean Energy for All Europeans" package which included eight legislative proposals. The RED II for the period 2021-2030 seeks to ensure the European Union (EU) meets its binding target to produce at least 27 percent of its energy from renewable sources by 2030. The revised RED sets a cap on food crop-based biofuels starting at 7 percent in 2021 and going down gradually to 3.8 percent in 2030. The RED strengthens the existing EU sustainability criteria including Greenhouse Gas (GHG) savings for biofuels and their extension to forest biomass, solid biomass, biogas as well as efficiency criteria for large-scale biomass and electricity plants. The RED post-2020 proposal follows the ordinary legislative procedure (co-decision) and must be adopted by both the Council and the European Parliament. A possible outcome is foreseen in the second half of 2018.

Introduction

This report presents the outlook for oilseeds in the EU-28. The data in this report is based on the views of Foreign Agricultural Service (FAS) analysts in the EU and is not official USDA data.

This report was a group effort of the following FAS analysts:

Ornella Bettini	FAS/Rome covering Italy
Mila Boshnakova	FAS/Sofia covering Bulgaria
Monica Dobrescu	FAS/Bucharest covering Romania
Bob Flach	FAS/The Hague covering The Netherlands, Sweden, Finland, and Denmark
Dimosthenis Faniadis	FAS/Rome covering Greece
Gellert Golya	FAS/Budapest covering Hungary
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The FAS EU-28 oilseeds reporting team would like to thank Agata Kingsbury from FAS/OGA for her valuable input and support.

Abbreviations used in this report

Benelux	= Belgium, the Netherlands, and Luxembourg
CAP	= EU common agricultural policy
CY	= Calendar year
e	= Estimate (of a value/number for the current, not yet completed, marketing year)
EU-28	= European Union of 28 member states (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, France, Finland, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom)
EFSA	= European Food Safety Authority
f	= Forecast (of a value/number for the next, not yet started, marketing year)
FSW	= Feed, Seed, Waste
Ha	= Hectares
GE	= Genetically engineered / Genetically engineered organisms
GHG	= Greenhouse gas
MT	= Metric ton (1000 kg)
MMT	= Million metric tons
MS	= EU Member State(s)
MY	= Marketing year
NUTS2	= Nomenclature of Units for Territorial Statistics level 2 = code for regions within a country
RED	= Renewable Energy Directive
RSPO	= Round Table on Sustainable Palm Oil
SME	= Soybean meal equivalent
TMT	= Thousand metric tons
U.K.	= United Kingdom
U.A.E.	= United Arabic Emirates
U.S.	= The United States of America

In this report "**biofuel**" includes only biofuels used in the transport sector. Biomass/biofuel used for electricity production or other technical uses such as lubricants or in detergents are included in "**industrial use**".

The marketing years used in this report are:

January - December
Copra complex
Palm Kernel complex
Palm Oil
Fish Meal

July-June
Rapeseed complex

October -September
Soybean complex
Sunflower complex
Cottonseed complex
Peanut complex

November - October
Olive Oil

Table of Contents

1. Total Oilseeds

Coordinator: Roswitha Krautgartner, FAS/Vienna

Note: Total oilseeds include different marketing years with different beginning and ending months. Please find details for the specific commodities in the respective sections.

Total Oilseeds – Seeds

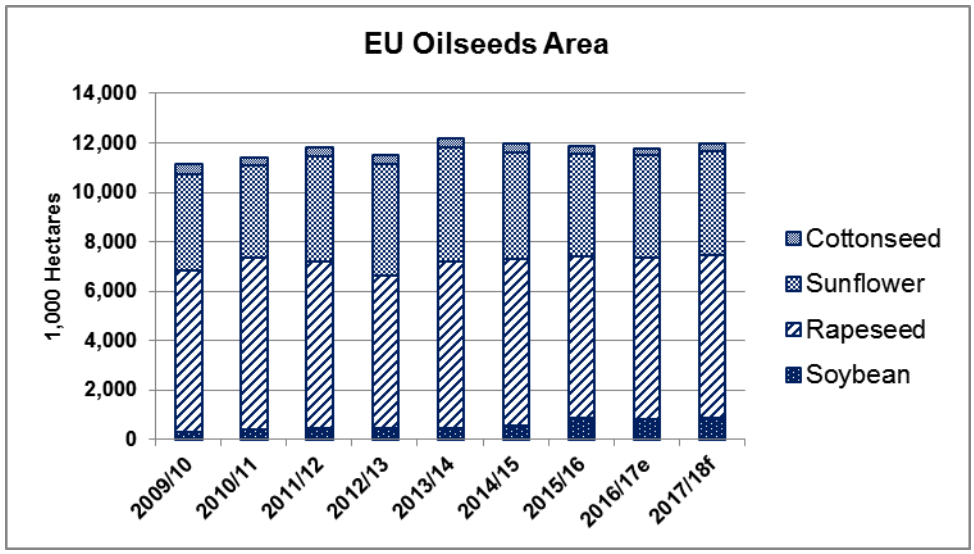
Commodity:	Total Oilseeds					
Marketing Year	MY 2015/16		MY 2016/17		MY 2017/18	
	USDA Official	Post New	USDA Official	Post New	USDA Official	Post New
Area	11,849	11,846	11,779	11,781	0	11,957
Beginning Stocks	3,586	3,586	3,839	3,605	0	2,845
Production	32,541	32,446	31,277	31,660	0	32,404
Extra EU28 imports	20,021	20,025	18,895	19,755	0	19,695
TOTAL SUPPLY	56,148	56,057	54,011	55,020	0	54,944
Extra EU28 exports	984	1,016	970	1,143	0	1,110
Crush	46,892	46,923	46,092	46,597	0	46,652
Food Use	1,510	1,559	1,530	1,530	0	1,547
Feed, Seed, Waste	2,923	2,954	2,903	2,905	0	2,925
TOTAL DOMESTIC USE	51,325	51,436	50,525	51,032	0	51,124
Ending Stocks	3,839	3,605	2,516	2,845	0	2,710
TOTAL DISTRIBUTION	56,148	56,057	54,011	55,020	0	54,944
1000 HA, 1000 MT						

Please note that numbers for total oilseeds seeds include cottonseed which is not included in oilseeds meals and oils.
Source: FAS Posts

EU-28 Total Oilseeds Area

MY 2017/18
Total EU-28 oilseeds area in MY 2017/18 is forecast to increase by about 1.5 percent compared to the previous year and is expected to reach almost 12 million ha. The increase is explained by increasing acreage of all three major oilseeds - rapeseed, sunflower, and soybeans.

MY 2016/17
In MY 2016/17, total EU-28 oilseeds area is down by 0.6 percent, mainly due to a lower soybean area which is partially offset by increased rapeseed area.

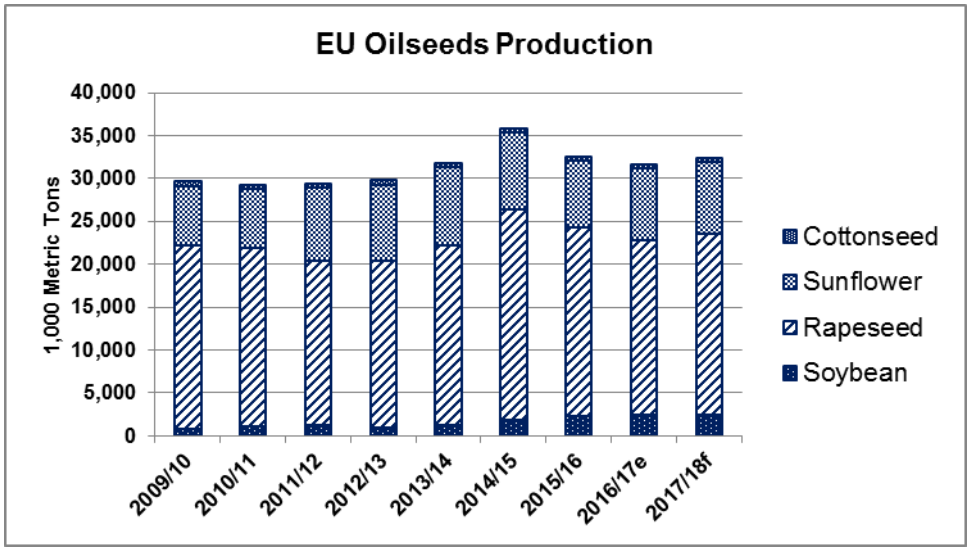


Source: FAS Posts

EU-28 Total Oilseeds Production

MY 2017/18
Expectations for total EU-28 oilseeds production in MY 2017/18 are for a 2.4 percent increase to 32.4 MMT. This is partially the result of somewhat higher yields and acreage in rapeseed crop.

MY 2016/17
Total oilseeds production in the EU-28 decreased by 2.4 percent year-on-year. Lower rapeseed production compared to the previous year's bumper crop could not be offset by increased sunflower and soybean production.

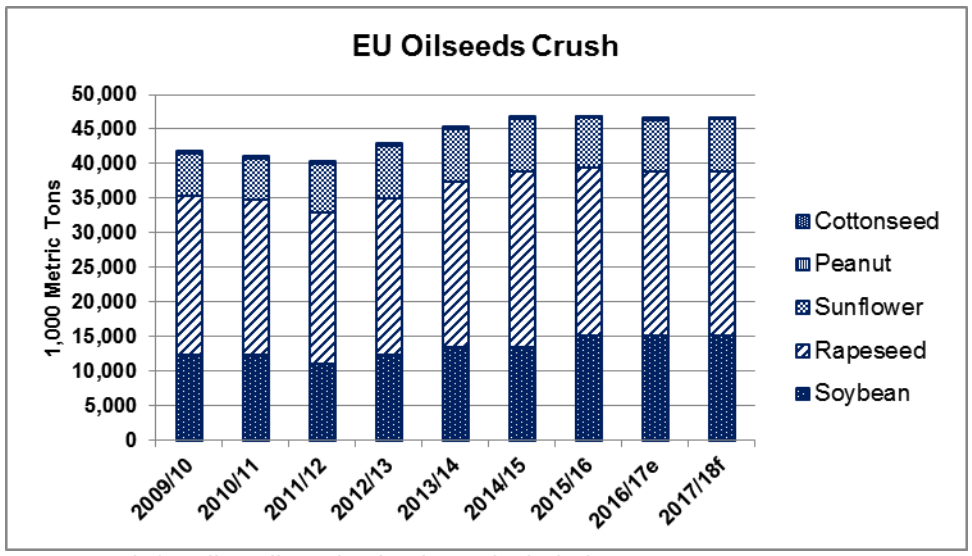


Source: FAS Posts

EU-28 Total Oilseeds Crush

MY 2017/18
Despite higher production, total EU-28 oilseeds crush is expected to be almost flat at 46.6 MMT. This is a result of increased soybean crush, flat rapeseed crush, and decreased – but still relatively high– sunflower crush.

MY 2016/17
Mainly due to lower rapeseed crush, total EU-28 oilseeds crush is estimated to decrease by 0.7 percent year-on-year totaling at 46.6 MMT.



Note: Crush for olive oil production is not included
Source: FAS Posts

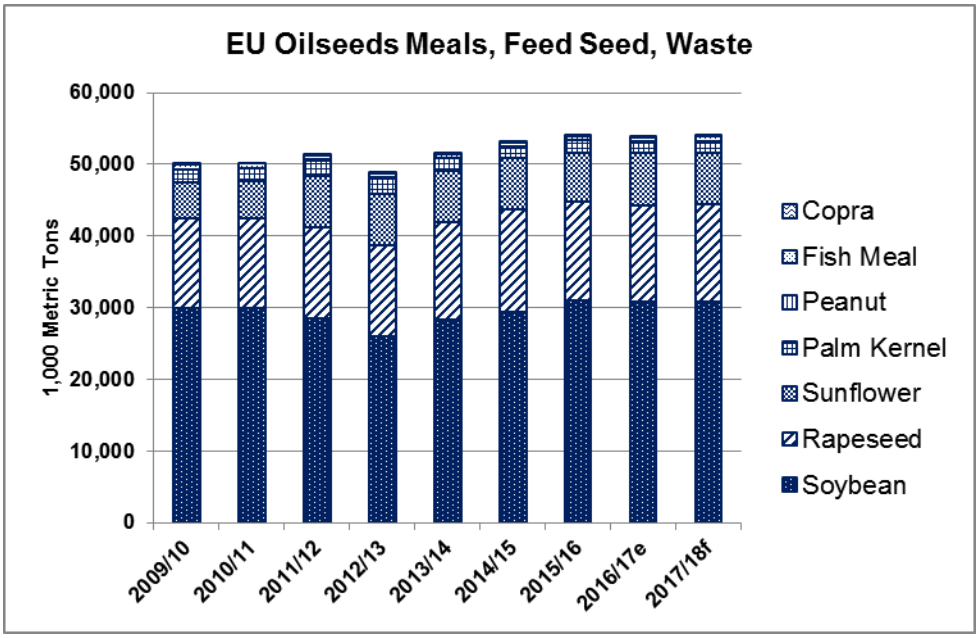
Total Oilseed – Meals

Commodity: Marketing Year	Total Meals					
	MY 2015/16		MY 2016/17		MY 2017/18	
	USDA Official	Post New	USDA Official	Post New	USDA Official	Post New
Crush	46,602	46,715	45,832	46,382	0	46,432
Beginning Stocks	1,056	1,056	712	958	0	926
Production	30,147	30,175	29,609	29,920	0	29,995
Extra EU28 imports	25,401	25,401	26,804	25,499	0	25,504
TOTAL SUPPLY	56,604	56,632	57,125	56,377	0	56,425
Extra EU28 exports	1,170	1,169	1,100	1,080	0	1,080
Industrial	510	570	510	570	0	570
Food Use	32		32			
Feed, Seed, Waste	54,180	53,903	54,628	53,769	0	53,879
TOTAL DOMESTIC USE	54,722	54,505	55,170	54,371	0	54,481
Ending Stocks	712	958	855	926	0	864
TOTAL DISTRIBUTION	56,604	56,632	57,125	56,377	0	56,425
1000 MT						

Please note that numbers in oilseeds meals and oils do not include cottonseeds as cottonseed meal and cottonseed oil are not included in this report.
Source: FAS Posts

MY 2017/18
In line with the almost flat crush in MY 2017/18, EU-28 total oilseeds meal production is expected to remain stable at 30 MMT. Increased feed use of rapeseed and soybean meal is expected to make up for lower feed use of sunflower meal. Total feed use of oilseeds meals is forecast to only increase slightly to 53.9 MMT.

MY 2016/17
Low availability of rapeseed meal but high supplies of sunflower meal leads to increased use of sunflower meal in feed rations.



Source: FAS Posts

Feed Use of EU-28 Total Oilseeds in Soymeal Equivalents (SME) (1,000 MT)

Feed Seed Waste SME Meals	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17e	2017/18f
Soybean	29,987	28,431	26,000	28,300	29,300	31,000	30,800	30,850
Rapeseed	8,815	9,072	9,072	9,676	10,246	9,748	9,534	9,605
Sunflower	4,950	6,751	6,794	6,798	6,704	6,515	6,940	6,893
Palm Kernel	622	795	764	629	599	602	569	569
Peanut	79	43	29	30	21	19	18	18
Fish Meal	1,019	972	796	861	764	840	867	881
Copra	0	7	5	1	1	6	1	1
Total	45,473	46,070	43,460	46,296	47,636	48,729	48,729	48,818

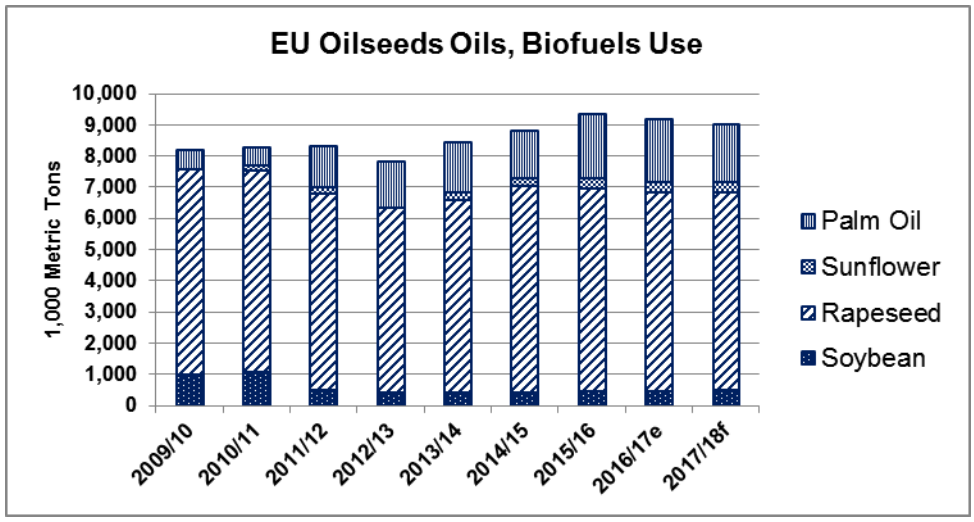
Source: FAS Posts

Total Oilseeds – Oils

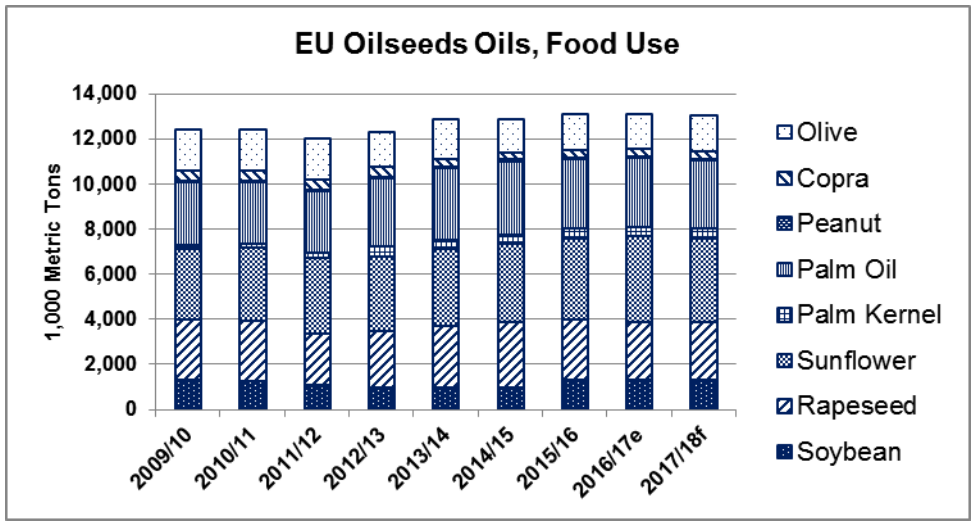
Commodity: Marketing Year	Total Oils					
	MY 2015/16		MY 2016/17		MY 2017/18	
	USDA Official	Post New	USDA Official	Post New	USDA Official	Post New
Beginning Stocks	1,850	1,850	1,805	1,919	0	1,568
Production	18,378	18,378	17,939	17,812	0	18,147
Extra EU28 imports	9,918	9,907	9,775	9,900	0	9,760
TOTAL SUPPLY	30,146	30,135	29,519	29,631	0	29,475
Extra EU28 exports	2,472	2,391	2,343	2,423	0	2,383
Industrial	12,280	3,044	12,080	3,043	0	3,040
Biofuels	0	9,350	0	9,165	0	9,005
Food Use	13,252	13,094	13,462	13,089	0	13,039
Feed, Seed, Waste	332	332	332	339	0	339
TOTAL DOMESTIC USE	25,864	25,820	25,874	25,636	0	25,423
Ending Stocks	1,805	1,919	1,297	1,568	0	1,665
TOTAL DISTRIBUTION	30,146	30,135	29,519	29,631	0	29,475
1000 MT, PERCENT						

Please note that numbers in oilseeds meals and oils do not include cottonseeds as cottonseed meal and cottonseed oil is not included in this report.
Source: FAS Posts

MY 2017/18
After a decline in the previous marketing year, EU-28 total oilseeds oil production is expected to grow by 1.9 percent to 18.1 MMT. With near stable food use but slightly decreasing biofuels use, total oilseeds oil consumption is expected to decline somewhat to 25.4 MMT.



Source: FAS Posts



Source: FAS Posts

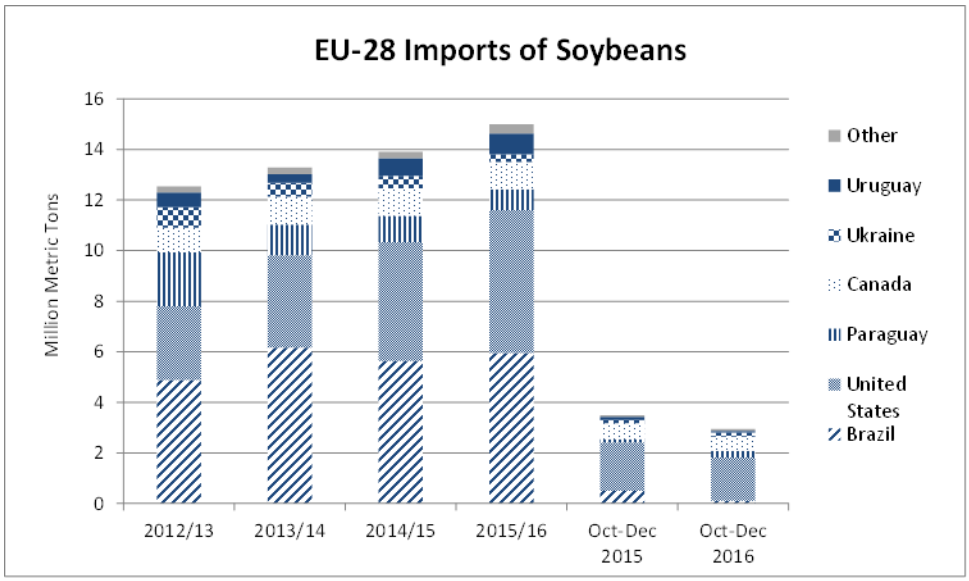
2. Soybean Complex
Coordinator: Lucile Lefebvre, FAS/Paris

Soybeans

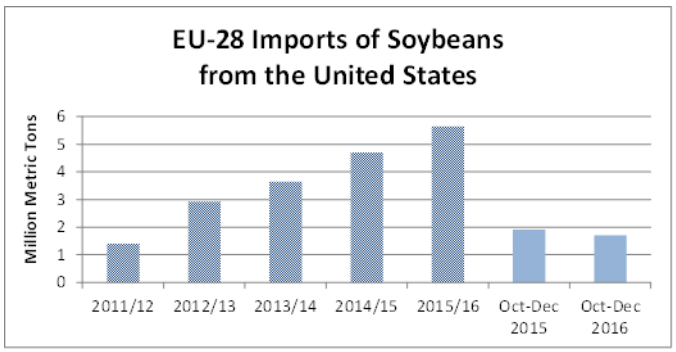
Oilseed, Soybean	2015/2016		2016/2017		2017/2018	
Market Year Begin	Oct 2015		Oct 2016		Oct 2017	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	849	870	892	815	0	880
Beginning Stocks	682	682	1120	1,044	0	1,009
Production	2,256	2,330	2,385	2,430	0	2,465
MY Imports	15,006	15,006	13,800	14,400	0	14,600
Total Supply	17,944	18,018	17,305	17,874	0	18,074
MY Exports	144	144	150	150	0	150
Crush	15,100	15,200	14,700	15,100	0	15,200
Food Use Dom. Cons.	180	230	190	235	0	237
Feed Waste Dom. Cons.	1,400	1,400	1,400	1,380	0	1,400
Total Dom. Cons.	16,680	16,830	16,290	16,715	0	16,837
Ending Stocks	1,120	1,044	865	1,009	0	1,087
Total Distribution	17,944	18,018	17,305	17,874	0	18,074
(1000 HA), (1000 MT)						

Source: FAS Posts

The EU remains the world's second largest importer of soybeans after China. In MY 2015/16, Brazil and the United States represented more than 75 percent of total EU imports. Imports from the United States were on an increasing trend between MY 2011/12 and MY 2015/16 (see charts below).

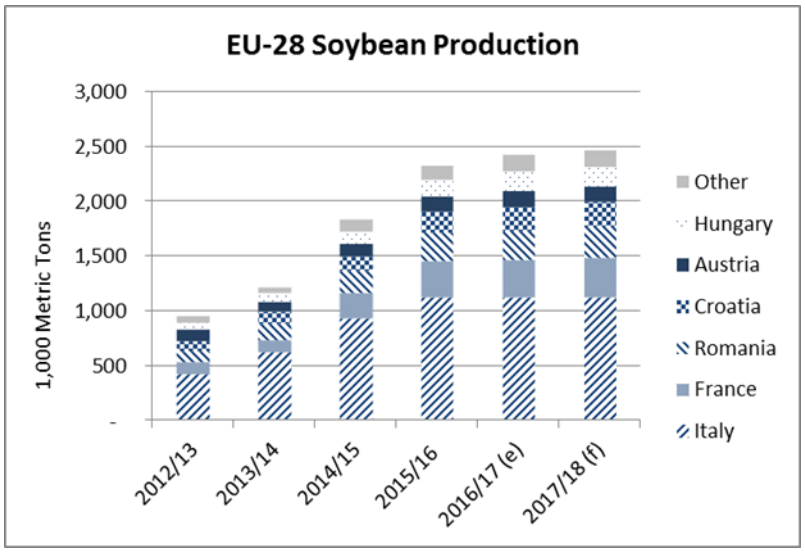


Source: Global Trade Atlas

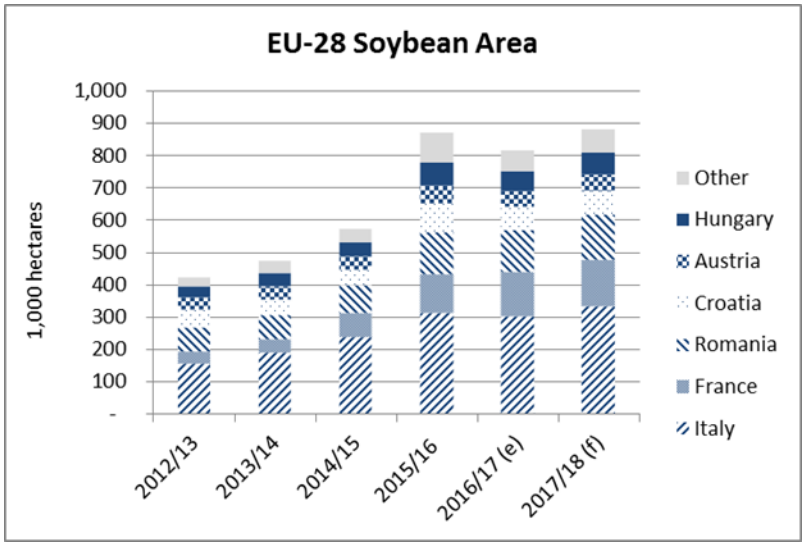


Source: Global Trade Atlas

The increase in EU soybean production is due to incentive policies under the Common Agricultural Policy (CAP). Still, production remains limited relative to imports (see graphs below).

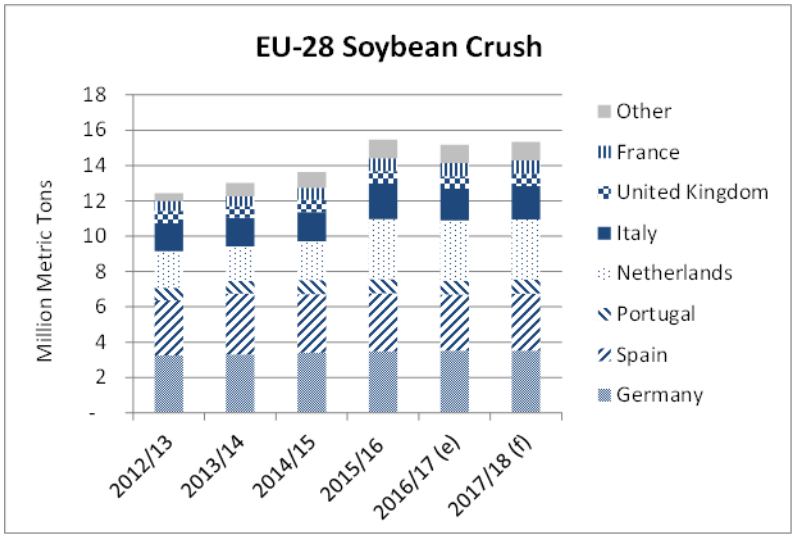


Source: FAS Posts



Source: FAS Posts

Both domestic and imported soybeans are crushed to produce meal, which is used for feed in the livestock and poultry sectors. Crush is driven by meal demand, which depends on the relative prices and availability of substitutes (such as sunflower meal and feed wheat) and on the growth rate of the livestock and poultry sectors.



Source: FAS Posts

MY 2017/18

In MY 2017/18, EU soybean production is expected to increase but at a slower pace than in MY 2016/17. The area harvested is expected to increase by 65 thousand hectares. It is expected that harvested area will increase in all member states except Croatia. The increase of harvested area is mainly driven by CAP's ecological focus areas and coupled payments. Italy, France, and Romania remain the three largest producers, accounting for more than 70 percent of total EU production.

In MY 2017/18, the quantity of soybeans available for export on the world market is expected to be slightly higher than in MY 2016/17. EU imports of soybeans are expected to increase compared to MY 2016/17 but to remain below the high level of MY 2015/16. Crush could return to the level of MY 2015/16 after a slight decline in MY 2016/17.

MY 2016/17

In MY 2016/17, the soybean area harvested is expected to decrease compared to MY 2015/16. However, production is expected to go up due to better yields. The area decreases in all the soybean producing member states except France and Romania as these two countries provide coupled payments for soybeans under the EU's CAP.

Domestic production remains low compared to imports – which are expected to decrease after the very high levels of MY 2015/16 – but still account for more than 80 percent of total supply. The rise in production is not expected to offset the decline in imports, resulting in a decrease in total supply.

Crush is expected to remain below the high level of MY 2015/16 and margins are expected to be lower in several countries including Spain and Italy.

On the basis of FAS Posts' estimates, MY 2016/17 feed use has been revised slightly down compared to previous USDA official numbers.

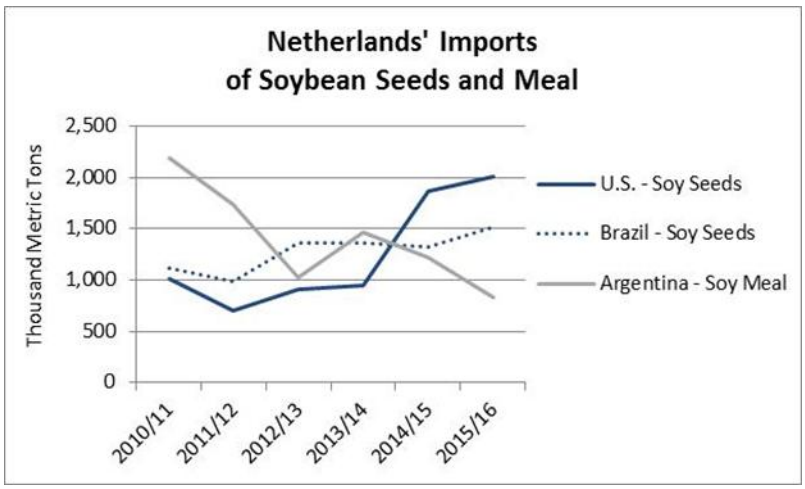
MY 2015/16

Area and production estimates are based on FAS Posts' numbers, which are available in the below table.

Soybeans MY 2015/16	**Planted Area (thousand hectares)**	**Production (thousand MT)**
Italy	309	1,117
Romania	128	262
France	122	334
Croatia	89	196
Hungary	72	146
Austria	57	136
Slovakia	43	62
Bulgaria	34	40
Czech Republic	12	20
Other countries	4	17
TOTAL	870	2,330

Source: FAS Posts

Based on FAS Posts' estimates, MY 2015/16 crush was revised up compared to previous USDA official numbers. In MY 2015/16, EU soybean crush and imports reached a very high level. Crush rose sharply in the Netherlands, Italy, and Romania. In the Netherlands, crushers switched from rapeseed to soybeans because of the lower rapeseed crop and lower demand for rapeseed oil. Moreover, the supply of meal from Argentina has been unreliable for a few years; it was replaced with imports of soybeans from the United States and Brazil that are crushed in the Netherlands (see graph below). In Romania, competitive imports of soybeans replaced part of the meal imports, which declined.



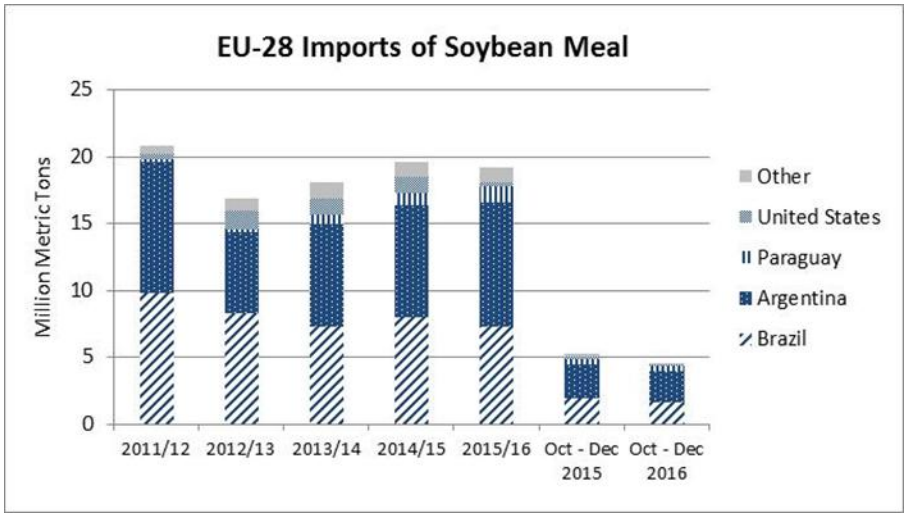
Source of data: Global Trade Atlas

Soybean Meal

Meal, Soybean	2015/2016		2016/2017		2017/2018	
Market Year Begin	Oct 2015		Oct 2016		Oct 2017	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	15,100	15,200	14,700	15,100	0	15,200
Extr. Rate	0.79	0.78	0.79	0.78	0	0.78
Beginning Stocks	683	683	374	474	0	482
Production	11,929	11,929	11,613	11,800	0	11,900
MY Imports	19,206	19,206	20,250	19,350	0	19,300
Total Supply	31,818	31,818	32,237	31,624	0	31,682
MY Exports	302	302	300	300	0	300
Industrial Dom. Cons.	10	10	10	10	0	10
Food Use Dom. Cons.	32	32	32	32	0	32
Feed Waste Dom. Cons.	31,100	31,000	31,500	30,800	0	30,850
Total Dom. Cons.	31,142	31,042	31,542	30,842	0	30,892
Ending Stocks	374	474	395	482	0	490
Total Distribution	31,818	31,818	32,237	31,624	0	31,682
(1000 MT), (PERCENT)						

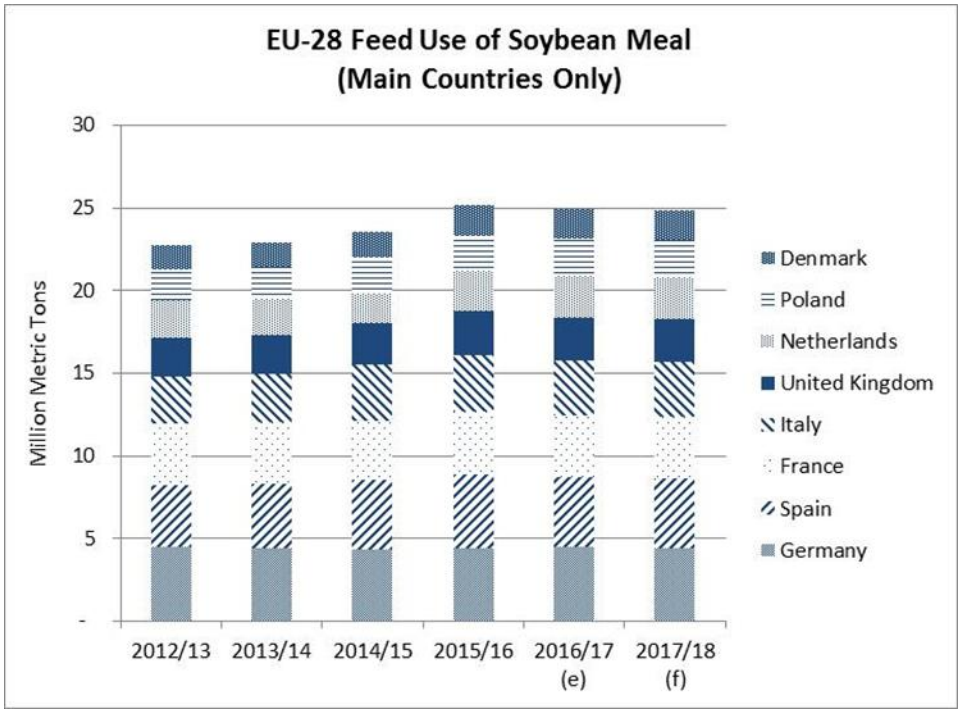
Source: FAS Posts

The EU remains the world’s largest soybean meal importer. More than 80 percent of total imports are from Argentina and Brazil (see graph below). Imports account for more than 60 percent of the EU’s consumption of soybean meal. Crush of locally-produced soybeans is increasing due to CAP incentive policies but it still accounts for a limited share of total EU market.



Source: Global Trade Atlas

Meal is used for feed in the livestock and poultry sectors. The main users of soybean meal are also the countries which produce the most meat and dairy products (see chart below).



Source: FAS Posts

MY 2017/18

In MY 2017/18, soybean meal production is expected to go up but to remain below the very high level of MY 2015/16. Imports are expected to decrease slightly. The availability and competitiveness of sunflower meal is expected to remain high. That could limit the growth in feed use of soybean meal, which is nevertheless expected to increase.

MY 2016/17

Soybean meal imports declined between October 2016 and February 2017 compared to the same period in the previous year. This drop was due to the competitiveness of sunflower meal (see the sunflower section of this report) and extensive use of feed wheat in several countries including France and Spain. However, imports are expected to go up during the second part of the marketing year following a recovery in export supplies in South America. As a result, total MY 2016/17 imports are expected to be slightly higher than in MY 2015/16. This small rise is not expected to offset lower domestic production and feed use of soybean meal should remain below the level of MY 2015/16.

Compared to previous USDA estimates, soybean meal production has been revised up as a result of higher estimated crush whereas imports and feed use have been revised down.

MY 2015/16

Feed use has been revised down compared to previous USDA estimates based on FAS Posts' figures.

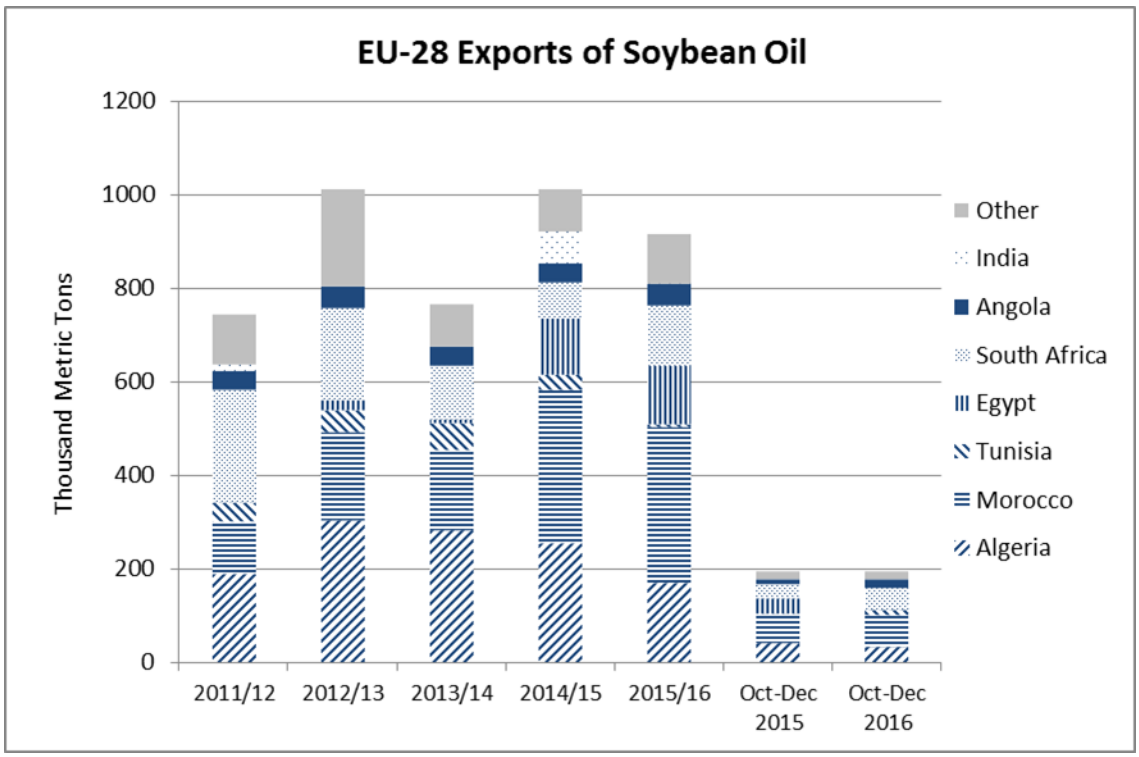
Soybean Oil

Oil, Soybean	2015/2016		2016/2017		2017/2018	
Market Year Begin	Oct 2015		Oct 2016		Oct 2017	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	15,100	15,200	14,700	15,100	0	15,200
Extr. Rate	0.19	0.19	0.19	0.19	0	0.19
Beginning Stocks	239	239	348	313	0	263
Production	2,869	2,869	2,793	2,830	0	2,870
MY Imports	325	325	250	250	0	250
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	3,433	3,433	3,391	3,393	0	3,383
MY Exports	915	915	950	900	0	890
Industrial Dom. Cons.	1,000	850	1,000	870	0	875
Food Use Dom. Cons.	1,120	1,300	1,120	1,300	0	1,300
Feed Waste Dom. Cons.	50	55	50	60	0	60
Total Dom. Cons.	2,170	2,205	2,170	2,230	0	2,235
Ending Stocks	348	313	271	263	0	258
Total Distribution	3,433	3,433	3,391	3,393	0	3,383
(1000 MT), (PERCENT)						

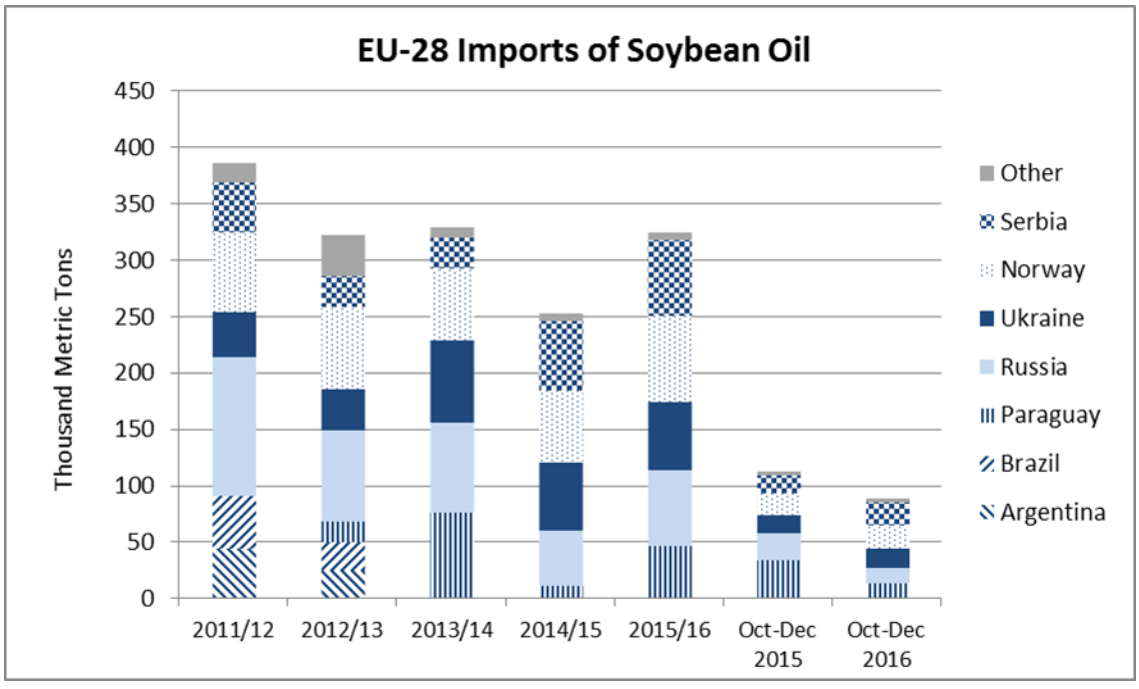
Source: FAS Posts

In the EU, soybean oil is mainly used for food, biofuels, and other industrial uses such as cosmetics or paint.

The excess supply of soybean oil is exported to third countries, mainly in Africa. Since MY 2011/12, the EU has been a net exporter of soybean oil with exports ranging from 750 to 1,000 thousand MT and imports ranging from 250 to 390 thousand MT per year (see graphs below).



Source of data: Global Trade Atlas



Source: Global Trade Atlas

MY 2016/17 and 2017/18

In MY 2016/17, the production of soybean oil is expected to decrease in the EU as a consequence of the lower crush. It is expected to increase in MY 2017/18 with a higher crush.

Biofuel use of soybean oil is expected to increase in MY 2016/17 and 2017/18 due to an increase in Spain driven by an anticipated recovery in biodiesel production.

MY 2015/16

In MY 2015/16, food use of soybean oil increased compared to MY 2014/15 in several member states including Italy, Poland, and Belgium but most of the year-on-year increase is due to a rise in consumption in Germany.

Food and feed use have been revised up compared to previous USDA estimates based on more current FAS Posts' data.

Breakout of EU-28 Industrial Uses for Soybean Oil (1,000 MT)

	MY 2015/16	MY 2016/17	MY 2017/18
Biofuels Use	450	470	475
Other Industrial Uses	400	400	400
Total Industrial Use	850	870	875

Source: FAS Posts

3. Rapeseed Complex
Coordinator: Leif Erik Rehder, FAS/Berlin

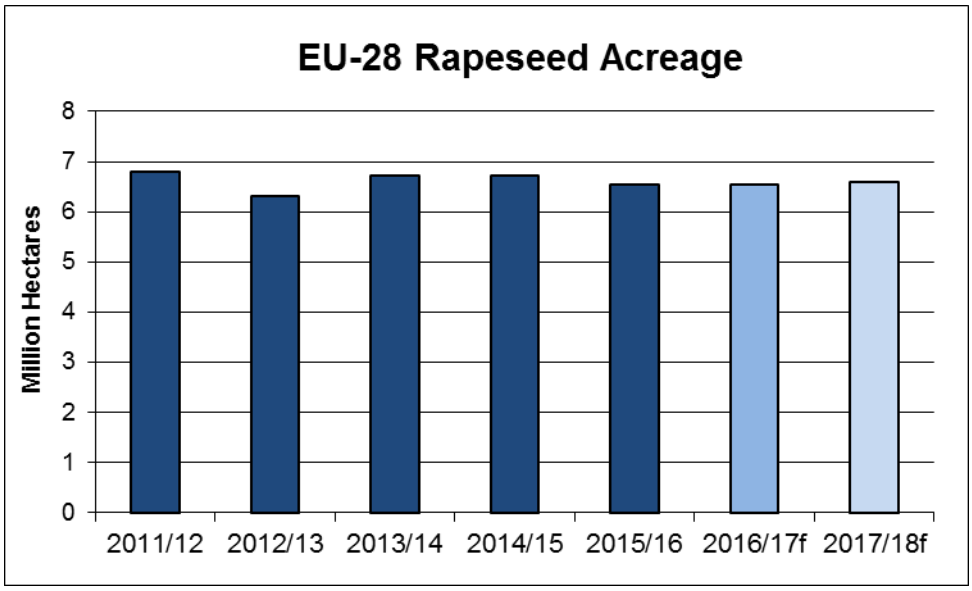
Rapeseed

The EU is the world's largest producer of rapeseed and products. The two largest producers in the EU are Germany and France, followed by the U.K., Poland, Romania, and the Czech Republic. Rapeseed meal is used exclusively in the livestock sector. Rapeseed meal competes with U.S. soybeans and soybean meal in feed ratios. The main driver for the rapeseed oil demand is the biodiesel industry, but food and industrial use of rapeseed oil are also influencing demand.

Oilseed, Rapeseed	2015/2016		2016/2017		2017/2018	
Market Year Begin	Jul 2015		Jul 2016		Jul 2017	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	6,580	6,580	6,500	6,600	0	6,585
Area Harvested	6,513	6,510	6,450	6,540	0	6,585
Beginning Stocks	1,879	1879	2004	1829	0	1,079
Production	22,195	22,000	20,100	20,400	0	21,000
MY Imports	3,494	3,494	3,700	3,800	0	3,700
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	27,568	27,373	25,804	26,029	0	25,779
MY Exports	344	344	400	400	0	350
Crush	24,320	24,300	23,500	23,700	0	23,700
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	900	900	900	850	0	850
Total Dom. Cons.	25,220	25,200	24,400	24,550	0	24,550
Ending Stocks	2,004	1,829	1,004	1,079	0	879
Total Distribution	27,568	27,373	25,804	26,029	0	25,779
(1000 HA) ,(1000 MT)						

Source: FAS Posts

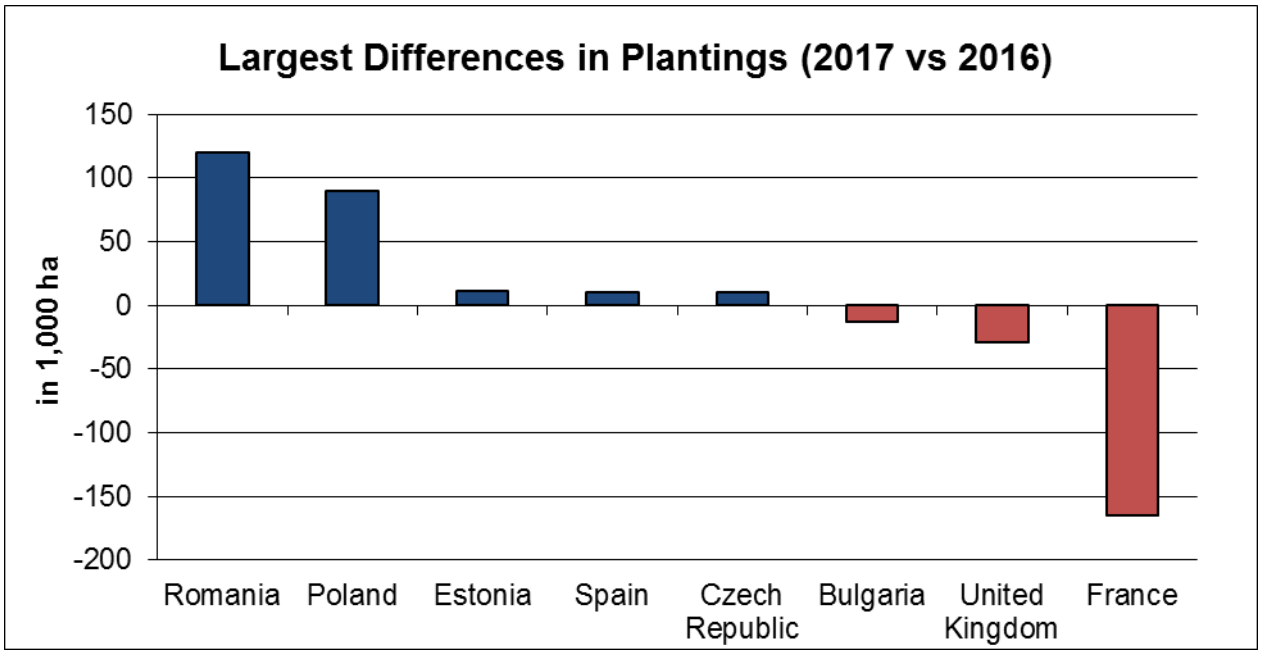
The EU's demand for rapeseed exceeds its domestic supply which leads to the import of large quantities of rapeseed for crushing. The EU is mainly dependent on imports from Ukraine and Australia, which together account for roughly 90 percent of EU rapeseed imports. Currently, the world market for rapeseed is tight and Ukrainian supplies are limited due to a poor harvest. A bumper crop in Australia may replace Ukrainian production to a certain extent. Crushers also started to look to Canada as the only other major rapeseed exporter in the market. Imports from Canada have increased but availability is also limited since Canadian origin needs to be certified sustainable and is mostly genetically modified rapeseed. Canada uses the International Sustainability and Carbon Certification (ISCC) system which meets the EU's criteria in the Renewable Energy Directive.



Source: FAS Posts

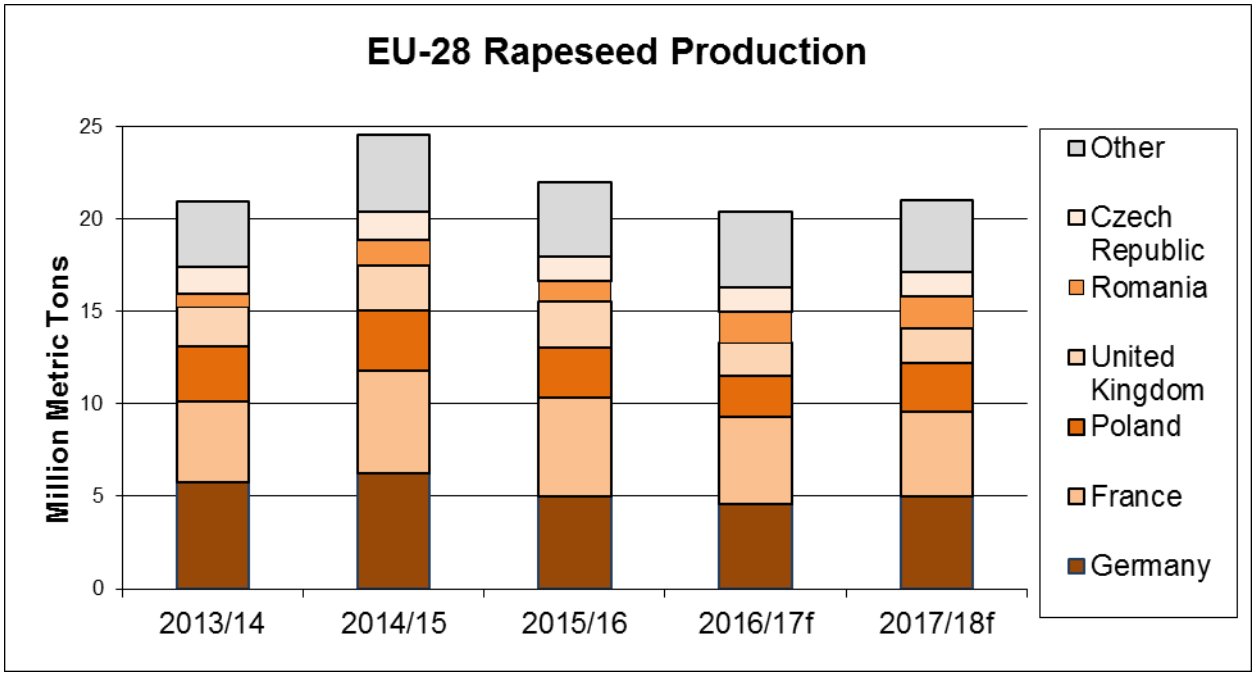
MY 2017/18

EU farmers planted more rapeseed in autumn 2016, especially in Romania, Bulgaria and Poland where farmers expanded their area due to good profitability. In Romania, sowing conditions were good and the Agricultural Ministry again renewed the authorization for neonicotinoids utilization in rapeseed production. There were also minor gains for rapeseed acreage in Estonia, Czech Republic, Spain, Germany, Hungary, and Lithuania. Spanish farmers have now tripled rapeseed acreage in the past five years. In total, gains more than offset drastically reduced plantings in Northern France due to a lack of rain and minor decreases in the United Kingdom. But in spring 2017, the outlook for harvested acreage in the European Union is only expected to increase slightly due to winterkill mainly in Hungary, Bulgaria, and Poland.



Source: FAS Posts

So far, growing conditions for rapeseed have been mostly favorable in the United Kingdom and Croatia while many major rapeseed producing regions faced problems during the winter. In general, yield is expected to be slightly better than last year but far from the record levels of 2014. Weather conditions in April and May will determine the final quality and yield of the EU rapeseed crop. Total EU-28 rapeseed production is currently forecast at 21.10 MMT in MY 2017/18, which is 3 percent higher than the production estimate for 2016/17.



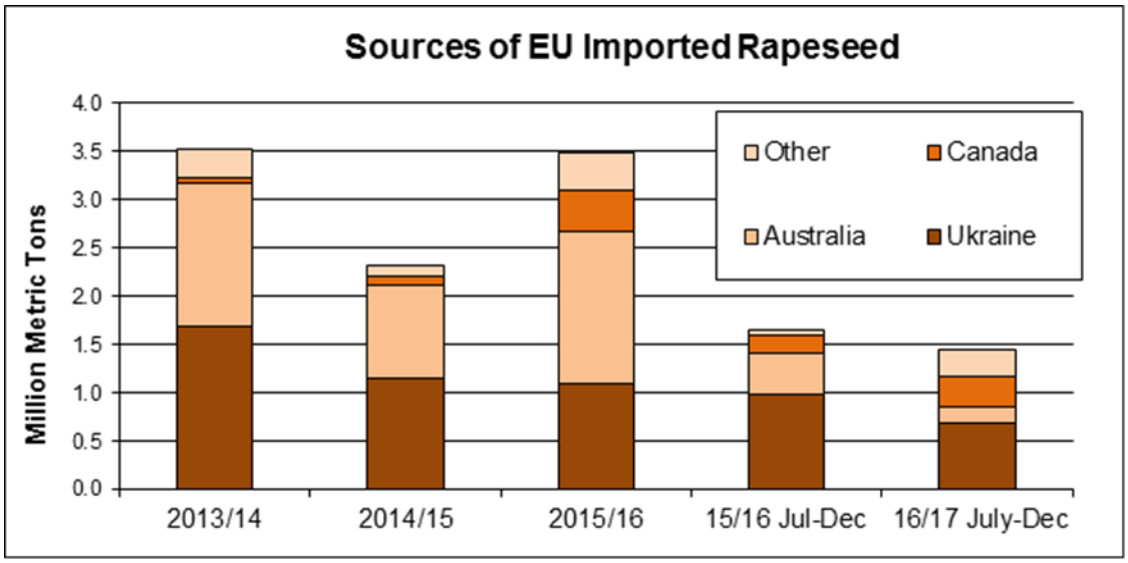
Source: FAS Posts

Though there is slightly higher availability of domestic rapeseed, the EU market for rapeseed will remain tight while there is an abundant supply of soybeans and bearish prices on the world market. Beginning stocks of rapeseed in the EU are extremely low and imports are expected to decrease slightly. It is estimated that there will be a rebound for rapeseed production in the Ukraine, which will again replace some Australian production on the import side. Rapeseed crush in the EU is expected to be stable due to steady meal demand by the EU feed industry and higher use of rapeseed oil in the biodiesel industry. The steady crush expectations are also fueled by the launch of a new oilseed crushing facility in the Czech Republic. At the end of the MY, stocks of rapeseed are expected to deteriorate further.

MY 2016/17

EU rapeseed production is expected to reach 20.4 MMT in MY 2016/17, down over 7 percent from the previous MY. This is the lowest European rapeseed crop since MY 2012/13. EU rapeseed production was revised downwards since harvests in the United Kingdom, Denmark, Poland, France, and Germany were much lower than expected while supplies from Hungary, Romania, and Spain were higher. In some major producing countries, the average yield decreased to levels below average. Total EU acreage increased slightly.

The limited supply of domestically produced rapeseed led to a tight EU market while exports from Ukraine are reduced. In the first half of MY 2016/17, overall imports have decreased slightly. But, Australia's bumper crop will lead to a steep increase in imports from down under. Canada has also emerged as an important supplier. Overall, this is expected to result in higher imports in this MY.



Source: Source: FAS Posts

Rapeseed crush is expected to drop by a bit over 2 percent to 23.7 MMT in the current MY. Higher imports of rapeseed nearly offset lower production in the European Union. Rapeseed crush is also fueled by high beginning stocks of rapeseed which are expected to be over 40 percent lower at the end of the marketing year.

MY 2015/16

In 2015/16 EU farmers harvested the second best rapeseed crop in the past decade. Data shows at EU production of 22.00 MMT for rapeseed. The production is down nearly 2.6 MMT from the record crop the previous marketing year which was based on high acreage and exceptional yields. Ending stocks were stable due to high imports from Australia, Ukraine, and Canada.

Rapeseed Meal

Rapeseed meal production follows crush in MY 2017/18 and stays stable. Due to a rebound in rapeseed meal imports from Ukraine, rapeseed meal use in feed use is expected to increase slightly with the EU dairy sector being the decisive factor on the demand side. It is expected that rapeseed meal will partially replace sunflower meal and grains in feed ratios. The popularity of rapeseed meal for animal feed varies among EU countries. Its use is most prevalent in countries that have a long rapeseed crushing history and high dairy production like Germany, France, the Benelux, and the UK. Availability of rapeseed meal in the coming year stays tight so stocks are projected to decline further.

Meal, Rapeseed	2015/2016		2016/2017		2017/2018	
Market Year Begin	Jul 2015		Jul 2016		Jul 2017	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	24,320	24,300	23,500	23,700	0	23,700
Extr. Rate	0.57	0.57	0.57	0.57	0	0.57
Beginning Stocks	220	220	172	310	0	280
Production	13,862	13,850	13,395	13,520	0	13,520
MY Imports	409	409	300	250	0	350
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	14,491	14,479	13,867	14,080	0	14,150
MY Exports	469	469	400	400	0	400
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	13,850	13,700	13,200	13,400	0	13,500
Total Dom. Cons.	13,850	13,700	13,200	13,400	0	13,500
Ending Stocks	172	310	267	280	0	250
Total Distribution	14,491	14,479	13,867	14,080	0	14,150
(1000 MT) ,(PERCENT)						

Source: FAS Posts

Rapeseed Oil

Biofuel production is still the major driver of the EU rapeseed oil market. Changes in EU biofuels policy lead to decreasing use of rapeseed oil for biodiesel in MY 2016/17 with stable use in MY 2017/18. There is strong competition with animal fats and recycled oils as well as crude oil prices negatively affecting profitability of producing rapeseed oil. Rapeseed oil production follows crush and total output is expected to be stable in MY 2017/18. Despite marketing campaigns in some countries promoting rapeseed oil for food use, with lower availability consumption is expected to decrease slightly in MY 2016/17 but stabilize in the following MY. Imports, exports, and ending stocks are forecast to be relatively stable.

Oil, Rapeseed	2015/2016		2016/2017		2017/2018	
Market Year Begin	Jul 2015		Jul 2016		Jul 2017	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	24,320	24,300	23,500	23,700	0	23,700
Extr. Rate	0.418	0.418	0.418	0.417	0	0.417
Beginning Stocks	452	452	370	507	0	517
Production	10,166	10,157	9,823	9,880	0	9,880
MY Imports	198	198	200	180	0	200
MY Imp. from U.S.	2	2	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	10,816	10,807	10,393	10,567	0	10,597
MY Exports	346	350	300	350	0	350
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	7,200	7,200	6,900	7,050	0	7,050
Food Use Dom. Cons.	2,850	2,700	2,950	2,600	0	2,600
Feed Waste Dom. Cons.	50	50	50	50	0	50
Total Dom. Cons.	10,100	9,950	9,900	9,700	0	9,700
Ending Stocks	370	507	193	517	0	547
Total Distribution	10,816	10,807	10,393	10,567	0	10,597
(1000 MT) ,(PERCENT)						

Source: FAS Posts

Breakout of EU-28 Industrial Uses for Rapeseed Oil (1,000 MT)

	MY 2015/16	MY 2016/17	MY 2017/18
Biofuels Use	6,500	6,350	6,350
Other Industrial Uses	700	700	700
Total Industrial Use	7,200	7,050	7,050

Source: FAS Posts

4. Sunflower Complex
Coordinator: Mila Boshnakova, FAS/Sofia and Monica Dobrescu, FAS/Bucharest

Sunflower Seeds

Oilseed, Sunflowerseed	2015/2016		2016/2017		2017/2018	
Market Year Begin	Oct 2015		Oct 2016		Oct 2017	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	4,178	4,173	4,200	4,165	0	4,210
Beginning Stocks	949	949	654	645	0	675
Production	7,679	7,700	8,400	8,400	0	8,500
MY Imports	622	622	500	700	0	530
MY Imp. from U.S.	40	0	40	0	0	0
Total Supply	9,250	9,271	9,554	9,745	0	9,705
MY Exports	426	426	350	480	0	500
Crush	7,150	7,180	7,600	7,550	0	7,500
Food Use Dom. Cons.	540	540	540	540	0	540
Feed Waste Dom. Cons.	480	480	480	500	0	500
Total Dom. Cons.	8,170	8,200	8,620	8,590	0	8,540
Ending Stocks	654	645	584	675	0	665
Total Distribution	9,250	9,271	9,554	9,745	0	9,705
(1000 HA) ,(1000 MT)						

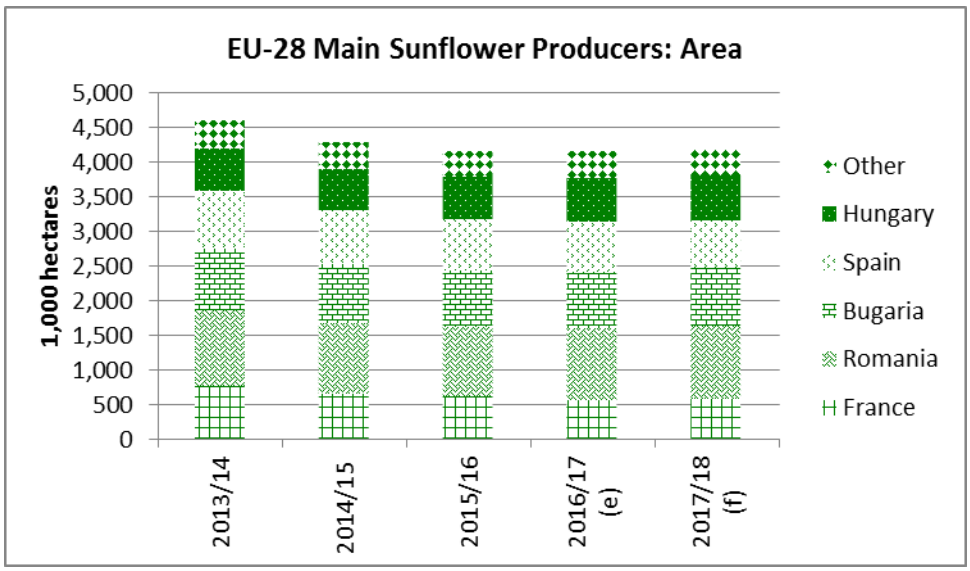
Source: FAS Posts

MY2017/18

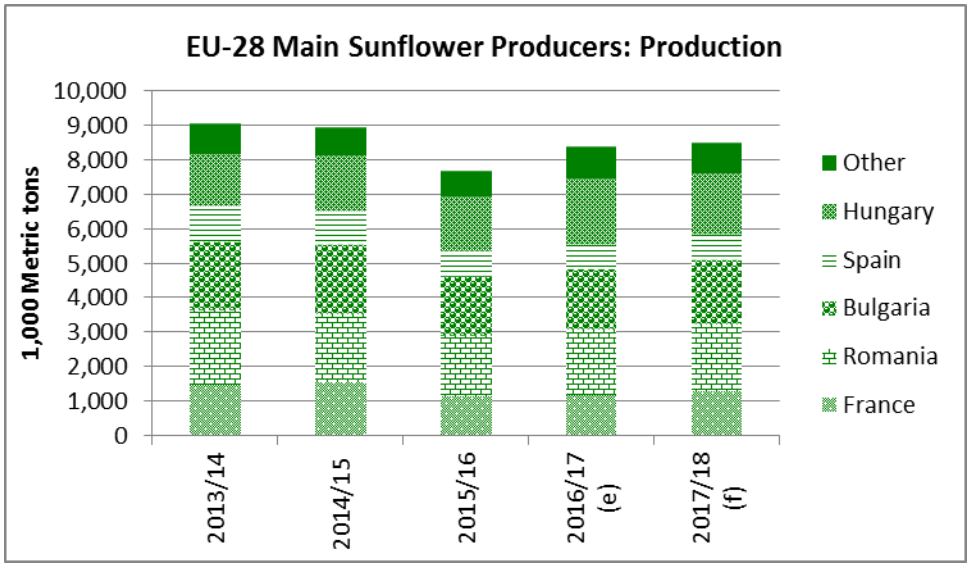
Following a very good sunflower crop in the current season, the prospects for MY2017/18 in the EU are strong for further production growth with both increased acreage and strong yields anticipated.

Due to good profitability and higher crush/trade demand, most countries will increase planted areas (France, Hungary, Romania, Bulgaria, Italy, Portugal, Germany, and Slovakia). Areas under specialty sunflower are reported to grow in France and Bulgaria due to price premiums. (In France, high oleic sunflower accounts for around 60 percent of planted area.) In Romania and Bulgaria, the increase in sunflower area is also due to re-seeding of lost rapeseed area. In Portugal, poor corn margins along with water limitations and existing contracts between crushers and growers may lead to increased sunflower plantings in MY2017/18. Conversely, in Spain, sunflower area will likely decline due to lower profit margins compared to alternative crops (olive, almond and pistachio orchards in the South and rapeseeds and sugar beet in the North) and lower water reserves. In total, EU sunflower area is projected to grow by 1.1 percent.

Provided that the weather cooperates, the EU is forecast to produce 8.5 MMT or 1.2 percent more sunflower seeds compared to MY2016/17. Favorable planting conditions are reported in most member states. Countries which enjoyed record yields in the current season (Hungary, Italy, and Slovakia) expect a decline in yields while those affected by summer heat and dryness (France, Romania, Bulgaria, Spain) project a recovery in average yields.

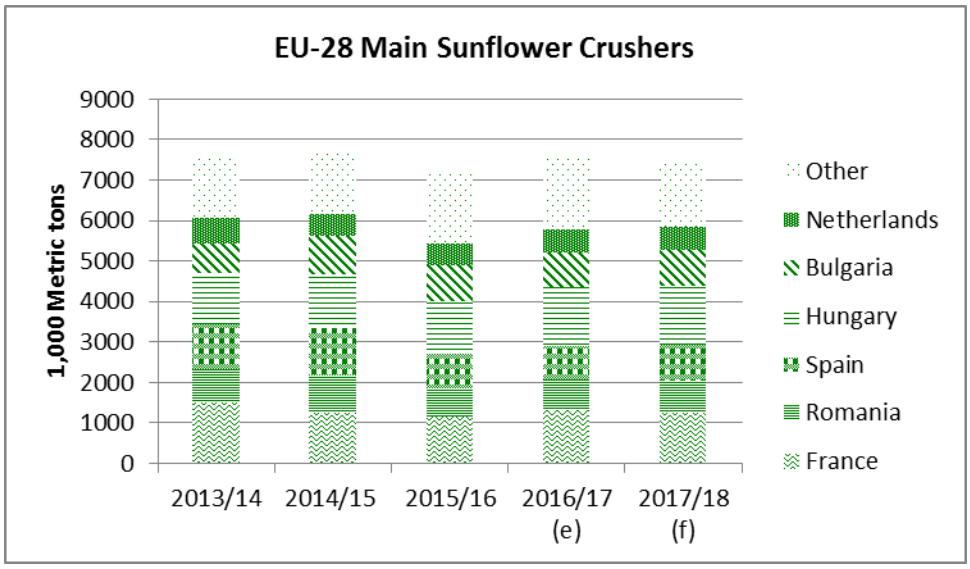


Source: FAS Posts



Source: FAS Posts

A higher domestic crop is forecast to lead to lower sunflower seed imports, especially if the Black Sea supplies are more limited. As a result, crush is projected to decline slightly (less than one percent) from current high levels but remain strong due to expected attractive demand for sunflower meal and oil. Crush margins are likely to improve compared to their current levels. Romania, Bulgaria, Spain, and Germany forecast a recovery in crush next season. However, EU crushers may face tighter competition between sunflower seeds and likely higher rapeseeds crop in the new season.



Source: FAS Posts

The increase in EU sunflower seeds production is projected to result in a small growth in exports, which along with strong crush and stable food/feed/waste use, is expected to reduce ending stocks by one to two percent.

MY2016/17

The latest EU data confirms slightly lower than previously estimated crop due to summer heat and drought in some Southern member states (Romania, Bulgaria, Spain, and France) while Hungary had an exceptional harvest. Production growth in most member states compensated the decline in Spain, Portugal, and Greece. In some countries, the adverse weather affected quality by reducing the oil content and/or shrinking the seeds' size. Average yields still exceeded those in the previous season and EU production is estimated to grow by 9.1 percent.

Multiple factors stimulated a sharp increase in imports including, a lower than anticipated crop, quality issues, sharply reduced world prices, abundant and price competitive Black Sea supply, and favorable EU crush demand. The average import price in the first quarter of the marketing year was at USD $688/MT compared to USD $1,020/MT a year before (source: World Trade Atlas), or 33 percent lower. As of mid-March, the EU-28 imports skyrocketed by 165 percent with Romania, France, The Netherlands, Bulgaria, Portugal, Spain, and Hungary leading demand. The major origins to date were Moldova with 35 percent share, followed by Argentina (18 percent) and Ukraine (15 percent). However, current projection is that imports growth will stagnate due to accumulated stocks in the EU-28. On the other hand, some member-states such as Romania and Bulgaria may see higher exports of sunflower seeds due to depressed crush margins. For this reason, the current EU export estimate is above USDA official.

Crush demand in the EU significantly exceeded FAS-Post expectations and is now estimated 5.2 percent more than in the previous season, although still slightly under USDA official estimates. Strong crush estimates are supported by abundant domestic supplies, price competitive imports, rapeseeds deficits, and strong sunflower meal and oil demand (for feed and food uses). Leading crush countries are France, Hungary, Italy, Romania, Germany, and Austria.

Crush margins varied considerably by member states. Spain and Portugal reported lower/negative margins this season. Industry groups in Romania and Bulgaria have indicated that tough regional competition in the Black Sea and the export tax on seeds in Ukraine has depressed the crush margins. Overall, the sunflower crush margins in the middle of the current season have declined compared to the beginning of the marketing year but remained on par or more attractive than that for rapeseeds crush.

Due to low or negative crush margins in some member states (Romania, Bulgaria, Spain, and Portugal), the crushing industry in these countries will likely reduce crush in the second half of the marketing year on the expense of increased exports. Thus the EU export estimate was revised higher. Major export destinations are Pakistan, South Africa, and Turkey. EU-28 ending stocks are estimated to increase by 4.6 percent as more of these stocks are anticipated in Eastern part of the EU.

MY 2015/16

Marginal adjustments were done based on final production and crush data.

Sunflower Meal

Meal, Sunflowerseed	2015/2016		2016/2017		2017/2018	
Market Year Begin	Oct 2015		Oct 2016		Oct 2017	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	7,150	7,180	7,600	7,550	0	7,500
Extr. Rate	0.5429	0.5432	0.543	0.543	0	0.5427
Beginning Stocks	153	153	166	174	0	164
Production	3,882	3,900	4,127	4,100	0	4,070
MY Imports	3,296	3,296	3,850	3,800	0	3,750
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	7,331	7,349	8,143	8,074	0	7,984
MY Exports	215	215	200	200	0	200
Industrial Dom. Cons.	0	60	0	60	0	60
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	6,950	6,900	7,750	7,650	0	7,600
Total Dom. Cons.	6,950	6,960	7,750	7,710	0	7,660
Ending Stocks	166	174	193	164	0	124
Total Distribution	7,331	7,349	8,143	8,074	0	7,984
(1000 MT) ,(PERCENT)						

Source: FAS Posts

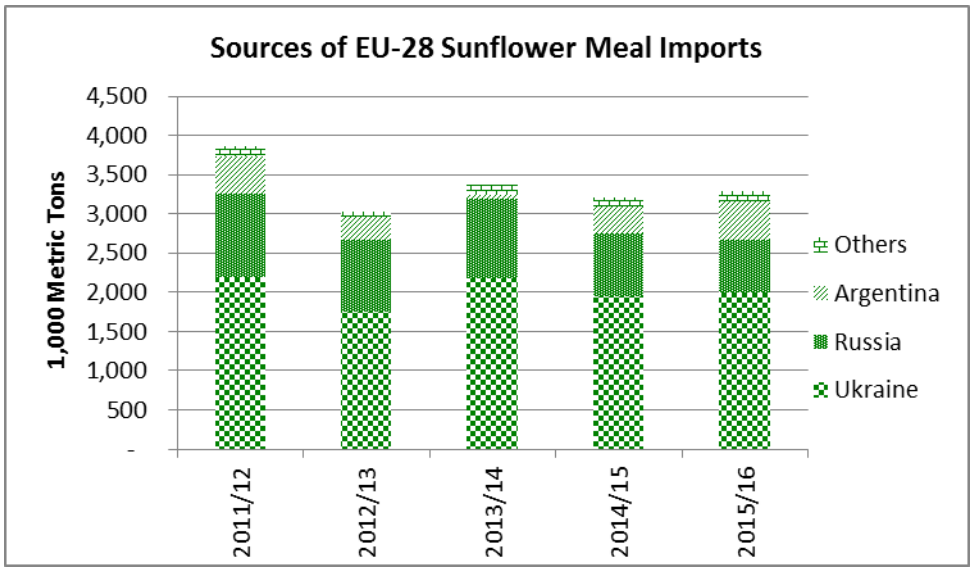
MY2017/18

Based on forecasted slightly lower but still strong crush in the new season, sunflower meal output is projected to be at steady levels to meet growing feed consumption in the EU-28.

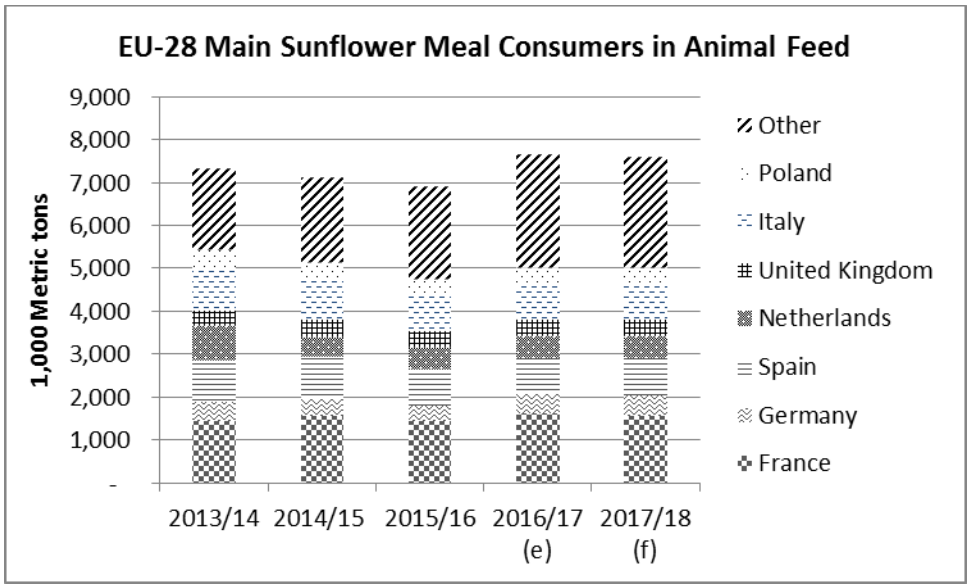
Imports are estimated to be similar or slightly lower than in the current season. Exports from traditional partners (Black Sea region and Argentina) are likely to be strong. On the other hand, competition with abundant and price-competitive soybean meal and estimated better availability of rapeseeds meal may be more pronounced than in the current season. Total (oilseeds) meal use is likely to be negatively affected by expected higher production and use of course grains in feed.

Despite expected stronger competition with the other meals, consumption of sunflower meal in the EU-28 is forecast to remain strong at levels similar to those achieved in MY2016/17. It is likely to be supported by increasing demand for non-biotech feed, especially in Austria, Hungary and Germany. Higher sunflower meal use is projected in Germany, Romania, Bulgaria, Spain and Poland while other countries are likely to see steady or lower use, especially in France.

Also, a newly patented product SunPro (sunflower meal with 46 percent protein content, to be produced in Hungary) will be available on the market in larger volumes, over 100,000 MT. To date, the product has been produced only in Bulgaria in more limited quantities, however, it has enjoyed an increasing demand by EU poultry and aquiculture industries as a price competitive alternative of soybean meal. Industry reports indicate growing demand for this product and possible production increase up to 300,000 MT in the near term. Reportedly, output of higher protein sunflower meal by the EU crushers will continue to grow as well along with imports of lower protein/ higher oil content imports of sunflower meal from the Black Sea suppliers (Ukraine).



Source: Global Trade Atlas



Source: FAS Posts

MY2016/17

In the current season, the EU is estimated to produce 5.1 percent more sunflower meal due to higher crush. Member states reported also growth in production of higher protein sunflower meal.

Demand is favorable and imports have increased to supplement local production for animal feed. As of mid-March, EU imports were 7 percent higher compared to a year ago with France, Italy, The Netherlands, Poland and Spain leading import demand. The estimate for the annual imports is to grow by 15 percent compared to the previous year. Major origins are Ukraine with almost 70 percent market share, Russia (16 percent) and Argentina (12 percent) as of mid-March.

Sunflower meal is very price competitive and in high availability, encouraging a higher incorporation in animal feed. In the first quarter of the marketing year, average import price of sunflower meal was at USD $211.6/MT compared to USD $238.2/MT during the same period a year ago, or 11 percent lower. In addition, prices have declined since the start of the season. Sunflower meal was more price competitive then both soybean meal and rapeseed. In addition, sunflower meal from Ukraine is seen as both a good protein and energy source due to high(er) oil content. In the second half of the current season, sunflower meal attractiveness may weaken due to anticipated competition from Latin American exports of soybean meal and Argentine exports of sunflower exports.

In addition to price attractiveness and availability, sunflower meal consumption was also supported by growing feed consumption in the EU and by use of more meals vs grains in feed. As a result, EU-28 use of sunflower meal is projected to reach record levels at 7.65 MMT or 750,000 MT more than in the previous season, although still below USDA official estimate. Steady or growing use is reported in all member states (with the exception of the UK and Slovenia) led by France, Germany, Hungary, and Denmark.

Exports of sunflower meal are estimated flat to traditional markets (Turkey and Morocco). Ending stocks may accumulate due to higher supply.

Sunflower Oil

Oil, Sunflowerseed	2015/2016		2016/2017		2017/2018	
Market Year Begin	Oct 2015		Oct 2016		Oct 2017	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	7,150	7,180	7,600	7,550	0	7,500
Extr. Rate	0.4225	0.4206	0.4225	0.4225	0	0.4227
Beginning Stocks	352	352	231	360	0	343
Production	3,021	3,020	3,211	3,190	0	3,170
MY Imports	1,392	1,392	1,400	1,450	0	1,350
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	4,765	4,764	4,842	5,000	0	4,863
MY Exports	374	374	350	450	0	380
Industrial Dom. Cons.	200	420	180	395	0	400
Food Use Dom. Cons.	3,950	3,600	4,100	3,800	0	3,750
Feed Waste Dom. Cons.	10	10	10	12	0	12
Total Dom. Cons.	4,160	4,030	4,290	4,207	0	4,162
Ending Stocks	231	360	202	343	0	321
Total Distribution	4,765	4,764	4,842	5,000	0	4,863
(1000 MT) ,(PERCENT)						

Source: FAS Posts

MY2017/18

Sunflower oil supply is forecast to remain at higher levels than achieved in the current season due to high, stable crush. Most member states expect steady or growing production (Spain, Romania, Bulgaria, and Germany) while France and Austria anticipate a dip in sunflower oil output. Good availability is likely to result in 7 percent lower imports compared to the current season.

Consumption is projected to remain strong although expected better supply of domestic olive and rapeseed oil as well as higher world supply of soybean and palm oil may result in weakened price competitiveness and in a marginal reduction in use. Higher food use is forecast for Germany, Romania, Hungary, France, and Bulgaria. However, higher olive oil output in Spain and Portugal may lead to decreased sunflower oil consumption. Sunflower oil remains a preferred healthy choice (no trans-fats) of food vegetable oil for direct consumption. Changing consumer patters have resulted in higher use of sunflower seed oil in the food industry.

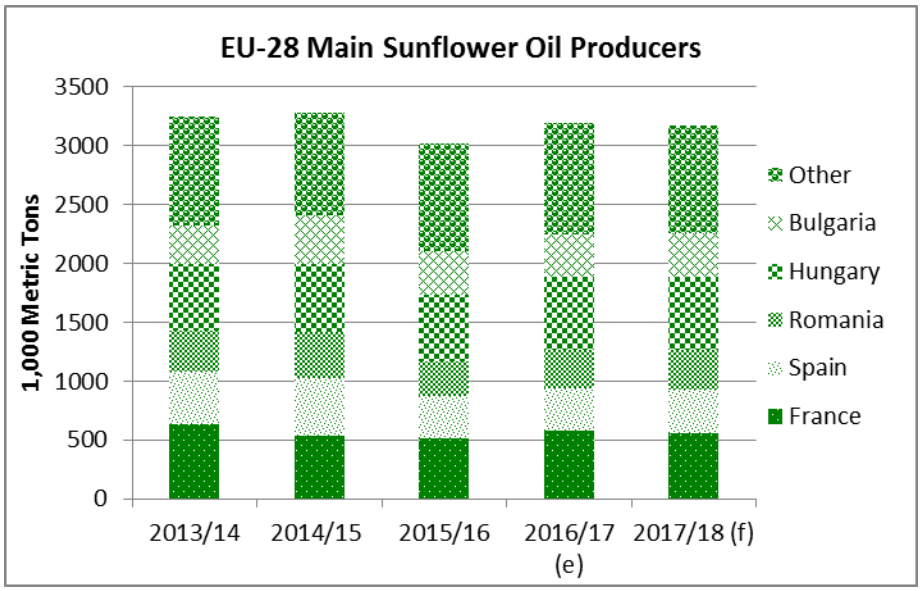
Strong domestic demand is estimated to keep the sunflower oil in the EU; exports would decline. EU exporters would likely face tight competition with Black Sea exporters, mainly Ukraine. Ending stocks are currently expected to decline by 5.5 percent.

MY2016/17

Sunflower oil output is estimated to rebound by 5.6 percent due to higher crush supported by imports. As of mid-March, imports have increased by 10 percent, with almost 90 percent of these imports supplied by Ukraine. Leading importers in the EU are Spain, Italy, The Netherlands, France, and the United Kingdom. Imports are expected to increase by 4.2 percent in MY2016/17 to meet favorable food use demand.

Food consumption of sunflower seed oil is estimated to grow by 5.5 percent or by 200,000 MT driven by the shortage of olive and rapeseed oils in the EU, along with price competitiveness of sunflower oil. Most member states with the exception of Germany and the United Kingdom have reported steady or higher sunflower food consumption. Small growth in population and sharp growth in tourists in Southern European countries have also contributed to the favorable demand. Prices of sunflower oil have been very attractive, declining from early in the season.

Following a growth of 46 percent in exports in the first quarter of the marketing year, annual exports are projected to slow in the second half of the year due to tight regional and world competition. Exports are still expected to exceed MY2015/16 levels. Favorable domestic demand may slow exports in the second half of the season. Still some countries in Eastern Europe are likely to accumulate ending stocks due to challenging exports suppressed by Black Sea competitors.



Source: FAS Posts

MY2015/16

Adjustments were made to biofuel use of sunflower oil due to new data from Italy. The same set of data is kept for the two following marketing years. Food use in MY2015/16 was revised to reflect this change.

Breakout of EU-28 Industrial Uses for Sunflower Oil (1,000 MT)

	MY 2015/16	MY 2016/17	MY 2017/18
Biofuels Use	350	325	330
Other Industrial Uses	70	70	70
Total Industrial Use	420	395	400

Source: FAS Posts

5. Palm Kernel Complex
Coordinator: Bob Flach, FAS/The Hague

Palm Kernel Meal

Meal, Palm Kernel	2015/2016		2016/2017		2017/2018	
Market Year Begin	Jan 2016		Jan 2017		Jan 2018	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	0	0	0	0	0	0
Extr. Rate	0	0	0	0	0	0
Beginning Stocks	0	0	0	0	0	0
Production	0	0	0	0	0	0
MY Imports	2,192	2,192	2,100	2,100	0	2,100
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	2,192	2,192	2,100	2,100	0	2,100
MY Exports	1	0	0	0	0	0
Industrial Dom. Cons.	500	500	500	500	0	500
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	1,691	1,692	1,600	1,600	0	1,600
Total Dom. Cons.	2,191	2,192	2,100	2,100	0	2,100
Ending Stocks	0	0	0	0	0	0
Total Distribution	2,192	2,192	2,100	2,100	0	2,100
(1000 MT) ,(PERCENT)						

Source: FAS Posts

Palm Kernel Oil

Oil, Palm Kernel	2015/2016		2016/2017		2017/2018	
Market Year Begin	Jan 2016		Jan 2017		Jan 2018	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	0	0	0	0	0	0
Extr. Rate	0	0	0	0	0	0
Beginning Stocks	111	111	127	138	0	122
Production	0	0	0	0	0	0
MY Imports	693	694	600	650	0	650
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	804	805	727	788	0	772
MY Exports	5	5	5	4	0	4
Industrial Dom. Cons.	250	250	230	250	0	250
Food Use Dom. Cons.	410	400	420	400	0	400
Feed Waste Dom. Cons.	12	12	12	12	0	12
Total Dom. Cons.	672	662	662	662	0	662
Ending Stocks	127	138	60	122	0	106
Total Distribution	804	805	727	788	0	772
(1000 MT) ,(PERCENT)						

Source: FAS Posts

Despite lower global production of palm kernel meal in 2016, EU imports and use declined only slightly. Furthermore, the official reported EU import figure could be revised upwards, as is historic practice. Lower use in Asia and New Zealand made palm kernel meal a competitive product on the EU market. In 2017 and 2018, EU palm kernel meal use for feed is expected to decline as a result of shrinking dairy cattle herds in the main markets. About half of the palm kernel meal is used in the Benelux countries. During the past five years, palm kernel meal use in cattle feed has been about twenty-five percent in the Benelux countries. Germany, the UK, and Ireland also use palm kernel meal in livestock feed.

6. Palm Oil
Coordinator: Bob Flach, FAS/The Hague

Palm Oil

Oil, Palm	2015/2016		2016/2017		2017/2018	
Market Year Begin	Jan 2016		Jan 2017		Jan 2018	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Trees	0	0	0	0	0	0
Beginning Stocks	527	527	413	263	0	173
Production	0	0	0	0	0	0
MY Imports	6,634	6,634	6,650	6,750	0	6,700
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	7,161	7,161	7,063	7,013	0	6,873
MY Exports	148	148	80	150	0	150
Industrial Dom. Cons.	3,400	3,450	3,550	3,420	0	3,250
Food Use Dom. Cons.	3,000	3,100	2,900	3,070	0	3,050
Feed Waste Dom. Cons.	200	200	200	200	0	200
Total Dom. Cons.	6,600	6,750	6,650	6,690	0	6,500
Ending Stocks	413	263	333	173	0	223
Total Distribution	7,161	7,161	7,063	7,013	0	6,873
(1000 HA) ,(1000 TREES) ,(1000 MT)						

Source: FAS Posts

During 2016, palm oil imports declined by about 300,000 MT compared with 2015. The reduction of imports is equally divided between the main two suppliers, Indonesia and Malaysia. Lower palm oil imports are reported for the Netherlands and Italy, while increased imports are reported for Spain. The lower global availability and higher prices of palm oil are expected to have had only a marginal effect on the EU palm oil consumption in 2016. Lower use of palm oil last year and the next two years is mainly related to replacement by waste fats and oils in the biofuels sector, and by other vegetable oils in the food sector.

EU palm oil use for industrial purposes, including for generation of power and heat, and production of biofuels, is estimated at about 3.45 MMT in 2016. For 2016, the use of palm oil for biofuel production is estimated at 2.05 million metric tons. The use for biofuel production is expected to decline to about 2.02 and 1.85 MMT in 2017 and 2018, respectively. This significant cut of use for fuel purposes is based on the anticipation that the Dutch and Italian biofuel sector is replacing palm oil with waste oils and fats. In contrast, the Spanish biofuel sector increased its use of palm oil and is anticipated to continue to source palm oil as the main oil for biofuel production during this and next year. The higher iodine number permitted in Spain allows for an intensive use of soybean and palm oil in biodiesel production for domestic consumption. According to our estimates, palm oil makes up a large share of the raw materials used in domestically produced biodiesel in Spain. Because of the opening of a new biofuel plant, palm oil use is also expected to increase in France in 2018.

If palm oil is used for biofuels production it must be certified as sustainable as established in the Renewable Energy Directive (RED). The European Commission approved the Roundtable on Sustainable Palm Oil (RSPO) program as compliant with the RED as from December 14, 2012, for a period of five years. Sustainability certification is also an important factor for acceptance in the food market. Due to favorable prices, unique physical characteristics, and non GM content, the replacement of palm oil in food preparations is expected to be limited. However, negative NGO campaigns about the environmental impact of palm oil production potentially hinder the further penetration in the food sector. Based on environmental considerations, the French Parliament proposed to impose an additional tax for food grade palm oil of 90 euro per metric ton from 2017. In June 2016, however, the Parliament dropped this plan after the French Government proposed to put forward an alternative proposal that would include more vegetable oils used in food.

Private sectors in the Netherlands, Belgium, the UK, Germany, Italy, France, Denmark, and Sweden agreed to ensure a fully sustainable palm oil supply in Europe by 2020. On December 7, 2015, the governments of the Netherlands, UK, Germany, France, and Denmark declared governmental support for this initiative by presenting the Amsterdam Palm Oil Declaration. On June 14, 2016, the Norwegian government also endorsed this Declaration. Market figures are not public, but reportedly the sales of certified palm oil by the food sectors are close to reaching those goals set by participating EU member states. In 2015, the import of RSPO certified palm oil is estimated at 2.0 million metric tons, over thirty percent of the total. In 2016, the production of RSPO certified palm oil declined from 12.9 to 12.2 million metric tons, about 17 percent of the annual global production, as two large producers were suspended from the RSPO program.

Breakout of EU-28 Industrial Uses for Palm Oil (1,000 MT)

	CY2016	CY2017	CY2018
Biofuels Use	2,050	2,020	1,850
Other Industrial Uses	1,400	1,400	1,400
Total Industrial Use	3,450	3,420	3,250

Source: FAS Posts

7. Peanut Complex
Coordinator Jennifer Wilson, FAS/London

Peanuts

Oilseed, Peanut	2015/2016		2016/2017		2017/2018	
Market Year Begin	May 2015		Oct 2016		Oct 2017	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Beginning Stocks	18	18	20	20	0	20
Production	0	0	0	0	0	0
MY Imports	859	868	865	820	0	835
MY Imp. from U.S.	135	140	145	120	0	100
Total Supply	877	886	885	840	0	855
MY Exports	32	39	30	30	0	30
Crush	32	35	32	32	0	32
Food Use Dom. Cons.	790	789	800	755	0	770
Feed Waste Dom. Cons.	3	3	3	3	0	3
Total Dom. Cons.	825	827	835	790	0	805
Ending Stocks	20	20	20	20	0	20
Total Distribution	877	886	885	840	0	855
(1000 HA) ,(1000 MT)						

Source: FAS Posts

The EU is the largest importer of peanut and peanut products in the world. Imports of ready-shelled peanuts have increased by over ten percent in the last decade. In-shell peanut imports into the EU have declined by almost forty percent in the same time period. The latter now comprises only 8 percent of total tonnage. China and the U.S. lead exports of in-shell to the EU, while Argentina dominates the shelled peanut trade. Argentina typically has 50-60 percent market share of the shelled peanut supply, and these are ultimately directed to the EU confectionery market. In general, U.S. shelled peanut trade with the EU is price-driven but trade is also dependent on the ease with which U.S. suppliers can meet EU requirements for pesticide residues, aflatoxin levels, phytosanitary certificates and private industry standards. After years of consolidation, the EU peanut kernel market is dominated by very few large multi-national processors.

Peanut Meal

Meal, Peanut	2015/2016		2016/2017		2017/2018	
Market Year Begin	May 2015		Oct 2016		May 2017	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	32	35	32	32	0	32
Extr. Rate	0.44	0.46	0.44	0.47	0	0.47
Beginning Stocks	0	0	0	0	0	0
Production	14	16	14	15	0	15
MY Imports	1	1	1	1	0	1
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	15	17	15	16	0	16
MY Exports	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	15	17	15	16	0	16
Total Dom. Cons.	15	17	15	16	0	16
Ending Stocks	0	0	0	0	0	0
Total Distribution	15	17	15	16	0	16
(1000 MT) ,(PERCENT)						

Source: FAS Posts

Peanuts for confectionery and other further processed product uses remains the focal point for trade. Peanut crushing within the EU has not increased in recent times. The main supplier of peanut meal to the EU has historically been Senegal. Exports from West Africa are erratic and intrinsically linked to political levers, as well as extreme weather events. Despite a 1 million ton harvest in Senegal MY2015/16 little to no peanuts were crushed in-country (owing to better export prices from China and Vietnam). The United States supplied the single ton of peanut meal that was imported into the EU in MY2015/16.

Peanut Oil

Oil, Peanut	2015/2016		2016/2017		2017/2018	
Market Year Begin	May 2015		Oct 2016		May 2017	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	32	35	32	32	0	32
Extr. Rate	0.375	0.3429	0.375	0.375	0	0.375
Beginning Stocks	3	3	3	3	0	3
Production	12	12	12	12	0	12
MY Imports	65	65	65	60	0	60
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	80	80	80	75	0	75
MY Exports	5	3	5	3	0	3
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	72	74	72	69	0	69
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	72	74	72	69	0	69

Ending Stocks	3	3	3	3	0	3
Total Distribution	80	80	80	75	0	75
(1000 MT) ,(PERCENT)						

Source: FAS Posts

Although it undergoes further refinement after crushing, peanut oil must be labeled on EU food packaging as an allergen. This deters its widespread use in food applications. EU peanut oil consumption has declined in the last ten years, and is increasingly substituted by other oils (such as sunflower oil). Brazil is typically the leading supplier; other suppliers include Argentina, Senegal and Nicaragua.

8. Fish Meal
Coordinator: Bob Flach, FAS/The Hague

Fish Meal

Meal, Fish	**2015/2016**		**2016/2017**		**2017/2018**	
Market Year Begin	**Jan 2016**		**Jan 2017**		**Jan 2018**	
European Union	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Catch For Reduction	1620	0	1620	0	0	0
Extr. Rate, 999.9999	0.28	0	0.28	0	0	0
Beginning Stocks	0	0	0	0	0	0
Production	460	480	460	485	0	490
MY Imports	284	284	300	295	0	300
MY Imp. from U.S.	0	9	0	9	0	9
Total Supply	744	764	760	780	0	790
MY Exports	183	183	200	180	0	180
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	561	581	560	600	0	610
Total Dom. Cons.	561	581	560	600	0	610
Ending Stocks	0	0	0	0	0	0
Total Distribution	744	764	760	780	0	790
(1000 MT) ,(PERCENT)						

Source: FAS Posts

The EU is dependent on fishmeal imports to fulfill domestic demand. In 2016, imports and use increased very slightly due to higher exportable supplies in South America. In 2017, this trend is expected to continue. Germany and Denmark are the biggest markets for fishmeal in the EU. Together these countries account for about 85 percent of total EU imports. Denmark is the main fishmeal producer in the EU, with an annual production generally fluctuating between 150,000 – 200,000 MT.

9. Copra Complex
Coordinator: Leif Erik Rehder, FAS/Berlin

Copra Meal

Copra is not produced and no longer processed in the EU-28. The EU-28 satisfies all its copra meal and coconut oil demand with imports.

Meal, Copra	2015/2016		2016/2017		2017/2018	
Market Year Begin	Jan 2016		Jan 2017		Jan 2018	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	0	0	0	0	0	0
Extr. Rate, 999.9999	0	0	0	0	0	0
Beginning Stocks	0	0	0	0	0	0
Production	0	0	0	0	0	0
MY Imports	13	13	3	3	0	3
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	13	13	3	3	0	3
MY Exports	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	13	13	3	3	0	3
Total Dom. Cons.	13	13	3	3	0	3
Ending Stocks	0	0	0	0	0	0
Total Distribution	13	13	3	3	0	3
(1000 MT) ,(PERCENT)						

Source: FAS Posts

Imports of copra meal have increased to 13,000 MT in 2016 due to price and availability. Volumes were traded to Italy with sources were mainly from Ghana and Vietnam. Imports of copra meal are expected to drop to normal levels of 3,000 MT in 2017 and 2018.

Coconut Oil

Oil, Coconut	2015/2016		2016/2017		2017/2018	
Market Year Begin	Jan 2016		Jan 2017		Jan 2018	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	0	0	0	0	0	0
Extr. Rate, 999.9999	0	0	0	0	0	0
Beginning Stocks	53	53	32	43	0	35
Production	0	0	0	0	0	0
MY Imports	511	511	510	510	0	510
MY Imp. from U.S.	0	0	0	0	0	0
Total Supply	564	564	542	553	0	545
MY Exports	12	12	8	10	0	10
Industrial Dom. Cons.	210	204	200	203	0	200
Food Use Dom. Cons.	300	300	300	300	0	300
Feed Waste Dom. Cons.	10	5	10	5	0	5
Total Dom. Cons.	520	509	510	508	0	505
Ending Stocks	32	43	24	35	0	30
Total Distribution	564	564	542	553	0	545
(1000 MT) ,(PERCENT)						

Source: FAS Posts

In 2016 EU imports of coconut oil have stabilized at 511,000 MT. Also, the outlook for 2017 and 2018 is currently stable but that depends on price and availability. Production in the Philippines, the main supplier, has not yet recovered.

10. Cottonseed
Coordinator: Dimosthenis Faniadis, FAS/Rome

Please note that due to changed reporting requirements only cottonseed is included in this report. Previous reports also included cottonseed meal and cottonseed oil.

Cottonseed

Oilseed, Cottonseed	2015/2016		2016/2017		2017/2018	
Market Year Begin	Oct 2015		Oct 2016		Oct 2017	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (Cotton)	310	293	263	261	0	282
Beginning Stocks	56	56	40	65	0	60
Production	412	416	392	430	0	439
MY Imports	40	35	30	35	0	30
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	508	507	462	530	0	529
MY Exports	38	63	40	83	0	80
MY Exp. to EU	0	0	0	0	0	0
Crush	290	208	260	215	0	220
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	140	171	120	172	0	172
Total Dom. Cons.	430	379	380	387	0	392
Ending Stocks	40	65	42	60	0	57
Total Distribution	508	507	462	530	0	529
(1000 HA) ,(RATIO) ,(1000 MT)						

Source: FAS Posts

Production

The EU-28 is a minor producer of cotton. EU-28 cotton production has declined by more than 50 percent following CAP reforms effective in 2006 that decoupled payments and reduced support and market barriers for a number of crops, including cotton. The EU-28 does not permit farmers to cultivate modern biotech cotton varieties, further hurting competitiveness. Only two EU-28 Members States, Greece and Spain grow significant amounts of cotton commercially. Cotton is a major agricultural crop in Greece, accounting for more than 8 percent of total agricultural output. More than 50,000 farmers grow cotton, producing about 80 percent of the EU crop. Thessaly, Macedonia, Thrace and Mainland Greece are the major cotton-producing areas. Cotton is planted from March 1 to April 15; the crop life cycle is usually 170 to 210 days, depending on the variety and weather conditions. The harvest occurs from October 1 to November 30 and most of the cotton is machine harvested. Spain's cotton area is concentrated in the region of Andalusia, and it is progressively concentrating in the provinces of Seville and Cadiz. Cotton is grown on some of the best agricultural land, competing with other irrigated crops. Greece’s MY 2017/18 cottonseed production is forecast to increase 3 percent comparing to the previous year. Spain’s MY 2016/17 is forecast to be similar to the previous MY. Yields in both Greece and Spain are expected to be average.

11. Olive Oil
Coordinator: Marta Guerrero, FAS/Madrid

Olive Oil

Oil, Olive	2015/2016		2016/2017		2017/2018	
Market Year Begin	Nov 2015		Nov 2016		Nov 2017	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Trees	6,750	0	6,750	0	0	0
Beginning Stocks	113	113	281	292	0	112
Production	2,310	2,320	2,100	1,900	0	2,215
MY Imports	100	88	100	50	0	90
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	182	0	224	0	240
Total Supply	2,523	2,521	2,481	2,242	0	2,417
MY Exports	672	589	650	560	0	600
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	20	20	20	20	0	20
Food Use Dom. Cons.	1,550	1,620	1,600	1,550	0	1,620
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	1,570	1,640	1,620	1,570	0	1,640
Ending Stocks	281	292	211	112	0	177
Total Distribution	2,523	2,521	2,481	2,242	0	2,417
(1000 HA) ,(1000 TREES) ,(1000 MT)						

Source: FAS Posts

MY 2017/18

Estimates indicate that olive oil production levels in the EU-28 for MY2017/18 should be higher than those in MY2016/17, based in anticipated improved Spanish yields. Portugal production levels should also rebound following a poor fruit bearing year in MY2016/17. In addition, the area dedicated to olives tress in Spain and Portugal continues to expand. In Italy and Greece, production is anticipated to return to average levels in MY2017/18 after a terrible year MY2016/17. Spring blooming conditions and precipitation after a rather dry fall and winter will determine the size of the MY2017/18 crop.

On the phytosanitary side, Xylella fastidiosa represents a growing threat for olive oil producing countries, which are putting in place contingency plans to limit the expansion of the outbreaks of this bacterium. Xylella fastidiosa can devastate fruit tree plantations, including olive groves. So far, available phytosanitary solutions to prevent the spread of the bacteria include destroying affected plant material, increasing border control, and banning the movement of plant material from the affected regions. Please see link (Spanish language only) for Spain's containment plan. Outbreaks so far have been declared in olive plantations in the Italian province of Lecce and Spain's Balearic Islands.

Assuming a return to average production levels in the EU and neighboring countries, consumption and export opportunities for European olive oil may grow accordingly, and still allow for a tepid stock re-build.

MY 2016/17

Production

Olive oil production in the EU is concentrated in the Mediterranean countries. Spain followed by Italy, Greece, and Portugal are the main olive oil producers in the European Union. Olive oil production also exists in other European countries such as Cyprus, France, Croatia, and Slovenia.

Blooming conditions in **Spain** and **Portugal** were favorable. However, excessive rains during the fruit setting stage negatively affected the fruit bearing numbers. This, along with the natural alternative fruit bearing of olive trees, especially in non-irrigated conditions, has resulted reduction of olives intended for oil production. The dry conditions delayed the harvesting season and were detrimental for oil yields. According to industry estimates, this season Spain's olive oil production may reach 1,265 TMT.

According to the latest industry estimates, **Italy**'s olive oil production is forecast at 243 TMT, which represents a 49 percent drop compared to the previous abundant campaign due to sudden alternations of hot, cold, and rainy weather that affected the Italian peninsula throughout the year, combined with the olive fruit fly attack in September.

MY 2016/17 olive oil production in **Greece** is forecast at 185 TMT, a 42 percent drop compared to the previous campaign. Adverse weather conditions, in Crete in particular, along with a significant incidence of olive fly are identified as the main drivers for the production drop.

Portugal's production is projected at 70 TMT down from the 107 TMT historical record olive oil production in MY 2015/16. Despite Portuguese olive groves restructuration and continuous investments in irrigation, alternative fruit bearing still has a significant impact in Portugal's olive oil output.

Consumption and Trade

The EU is a net exporter of olive oil, with exports largely exceeding imports. However, imports of olive oil from other non-EU producers in the Mediterranean Basin help to make up for olive oil shortfalls at the Member State levels. With the limited availability of olive oil in traditional suppliers such as Tunisia, Morocco or Turkey, extra EU imports are anticipated to be limited. Actually, only 60 percent (34 TMT out of the total 56.7 TMT) of the first installment of the Tunisia specific quota (Regulation (EC) 1918/2006 as amended by Regulation (EC) 605/2016) has been requested so far.

Consequently, in MY2016/17 a poor EU crop and limited supply from main trading partners in the Mediterranean basin may slow down the increase of exports and price tension may cause a downward revision of domestic consumption and substitution by other oils. Interestingly, consumption is rather stable in non-producing EU member states, whereas in producing member states we will likely see consumers turn to other oils.

Stocks

The combination of the lower olive oil production obtained in MY 2016/17 and the still significant amount of exports will result in short carry-out of olive oil, similar to the low levels with which MY 2015/16 begun.

Policy

The European Commission can provide private storage aid (PSA) if there are serious disturbances to the olive oil market in a certain region or if the average price for one or more of the following products is recorded on the market during a two weeks period:

- €1,779/ton for extra virgin olive oil
- €1,710/ton for virgin olive oil
- € 1,524/ton for pomace olive oil

Regulation (EC) 1918/2006 as amended by Regulation (EC) 605/2016 open a two-year additional of tariff quota for olive oil originating in Tunisia. In particular, the EC will grant Tunisia with an annual quota of 35,000 MT of

olive oil duty free to the EU until the end of 2017, in addition to the 56,700 MT referred to in the Association Agreement between the two parties.

Related Reports

Italian Olive Oil Overview 2016
Oilseeds Annual 2016 - Tunisia
Olive Harvest Begins with Historically Low Oil Stocks

12. Policy

Coordinator: Antonella Rossetti, FAS/USEU Brussels

The Common Agriculture Policy

The CAP entered into force in January 2014, with the exception of the new direct payments structure, including "green" payments, and additional support for young farmers, which applied from 2015.

One significant change is the "greening component" in Pillar 1, where the European Commission (EC) provides that there should be three elements of greening that all farmers would have to comply with to receive full direct payments. These three components are:

- Crop Diversification - Farmers must produce at least three different crops, each one accounting for a maximum of 70 percent and a minimum of five percent of each farm.
- Conservation of permanent grassland – With environmentally sensitive grassland, farmers may not convert permanent grassland into another crop. The EU defines permanent grassland as grass that has been there for five years. For permanent grassland in general, farmers can convert but have to reconvert where the ratio of permanent grassland to agricultural land decreases too much in a region or Member State (MS).
- Ecological focus areas (EFA) – Farmers must reserve at least five percent of arable area for ecological use, i.e. field margins, hedges, trees, fallow land, landscape features, biotopes, buffer strips, afforested area. Subject to a Commission report, this area may increase to seven percent after 2017. One option for EFAs is to have nitrogen-fixing crops, e.g. protein crops. It is up to each MS to decide whether to use this option or not. On February, 15, 2017, the EC presented a delegated act to ban the use of pesticides on productive or potentially productive EFAs. The European Parliament and Council have a two-month scrutiny period, which they can extend for a further two months.

For more information on the CAP see: Directorate General for Agriculture's (DG AGRI) website and FAS/USEU Report on Post 2020 CAP Consultation here.

Aid System for Oilseeds

Farmers do not receive specific payment for growing oilseeds. The impact of the elimination of production-linked subsidies on the EU oilseeds market is marginal compared to the impact of the growing biofuels market.

The high demand for rapeseed for the production of biofuels due to the introduction of the Renewable Energy Directive (RED) in 2009 led to increased prices which were enough of an incentive for farmers to increase rapeseed production over the last few years.
With the exception of the olive sector, there is no intervention buying, export subsidy or other market support programs available for oilseeds in the EU. The Commission can provide private storage aid (PSA) if there are serious disturbances to the olive oil market in a certain region or the average price for one or more of the following products is recorded on the market during a two weeks period:

• €1,779/ton for extra virgin olive oil
•€1,710/ton for virgin olive oil
•€ 1,524/ton for lampante olive oil

Protein Deficiency

EU protein crop production provides only about 30 percent of the protein consumed as animal feed in the EU. The remaining 70 percent of the protein crops are imported, mainly as soy proteins. Imports are estimated to represent the equivalent of 20 million hectares cultivated outside the EU, or more than 10 percent of EU arable land. EU import tariffs for the main protein crops are set at zero. Only around three percent of EU arable land is currently cultivated with protein crops. However, there are some initiatives to increase the production of protein crops.

Member States (MS) may grant a greater proportion (generally 8 percent but up to 13 percent in some MS, or above 13 percent subject to EC approval) of their direct payment envelopes in the form of voluntary coupled support (VCS) to farmers in sectors or regions which face particular difficulties and where farming activity is important for economic, environmental and/or social reasons. This aid should be granted only to the extent necessary to maintain current levels of production in the region concerned.

Additionally, there is an option for aid of up of up to 2 percent of the national ceiling available for MS which decide to use at least 2 percent of the direct payments envelope to support production of protein crops. Should any MS decide to use this possibility, the Commission has to be notified in advance. MS must notify the EC by August 2014 to benefit from this option from January 1, 2015. In 2014 16 MS have notified the Commission of their decision to grant coupled support for the production of protein crops. Based upon their decision, about 1 % of the annual amount available for granting direct support in EU-28, i.e. 10.6% of the amounts earmarked to VCS, will be available for the production of protein crops from 2015.

The annual amount available at EU level averages € 441 million (or €102 per hectare) making the sector of protein crops, the fourth most supported of the VCS supported sectors (after that of beef and veal, milk/milk product and sheep/goat meat).
There is also an ongoing project on increasing the soy production in the Danube area. The Danube Soya Declaration project has attracted a lot of interest, but so far there has not been a lot of action.

Blair House Agreement

The 1992 Blair House Memorandum of Understanding on Oilseeds (or Blair House Agreement (BHA)) between the United States and the EU was included in the EU WTO schedule of commitments and resolved a GATT dispute over EU domestic support programs that impaired U.S. access to the EU oilseeds market.

The BHA limited the EU oilseed planting area of mainly rapeseed, sunflower seed, and soybeans, for food and feed purposes to an adjusted maximum guaranteed area (MGA) for those producers benefiting from crop specific oilseed payments. This resulted in a reduction of the EU oilseed production area and penalized production in excess of the maximum.

The BHA also limited the production of oilseeds not intended for human or animal consumption planted on set-aside land (“non-food” set-aside). Output of these oilseeds was limited to 1 MMT of byproducts expressed in soybean meal equivalent annually. As the set-aside arrangements are no longer applicable in the CAP, the “non-food” set-aside scheme is similarly not applicable.

The BHA is triggered by crop specific payments. With the elimination of the crop specific payments, the BHA is maintained as a mechanism but is not used. However, if the introduction of VCS on oilseeds were to trigger the BHA, the Commission asserts that measures are in place to ensure that the MGA is not overshot.

Sustainability

As in the United States, the interest for sustainability, sustainable production, and environmental issues are growing among EU consumers, industry and policymakers, impacting policy in several areas. The theme of sustainability is well established in the EU marketplace and major food retailers in EU are increasingly using it as a competitive tool. It is a formal part of retailer business and marketing plans and it is being reinforced by significant investment throughout the production chain, including the growing use of private certification bodies.

Within the EC, DG Agriculture and DG Environment are focusing on resource issues such as carbon, water, and biodiversity. Sustainable production is defined as an agricultural sector which is able to maintain viable production throughout the territory of the EU, and which at the same time contributes to the EU's key environmental goals, including the protection of natural and cultural resources and the achievement of successful climate change mitigation and adaptation.

The EC co-chairs the European Food Sustainable Consumption and Production Round Table, which began as an industry initiative. The objective of this roundtable is to help consumers and other stakeholders to make informed choices by providing them with accurate and understandable information on relevant product characteristics, including environmental performance. This is done by the development of a common framework facilitating environmental assessments.

EU Climate and Energy Package

The EU Energy and Climate Change Package was adopted by the European Council on April 6, 2009. The Renewable Energy Directive (RED), which is part of this package, entered into force on June 25, 2009, and had to be transposed into national legislation in the Member States (MS) by December 5, 2010. MS were also required to submit National Renewable Energy Action Plans (NREAP) by June 30, 2010. The adoption and requirement for the implementation of the Directive did not give enough time for either the MS or the Commission to prepare for the implementation.

The EU Energy and Climate Change Package include the "20/20/20" goals for 2020:

• A 20 percent reduction in greenhouse gas (GHG) emissions compared to 1990.
• A 20 percent improvement in energy efficiency compared to forecasts for 2020.
• A 20 percent share for renewable energy in the EU total energy mix. Part of this 20 percent share is a 10 percent minimum target for renewable energy consumed in transport to be achieved by all MS.

The goal for 20 percent renewable energy in total energy consumption is an overall EU goal. The RED then sets different targets for different MS within this overall target, based on each MS' capacity. Therefore, some MS will have to reach much higher targets than the 20 percent, whereas other MS will have much lower targets In contrast to the 20 percent overall EU target, the 10 percent target for renewable energy in transport is obligatory for all MS.

The Fuel Quality Directive (FQD) complements the RED and mirrors some of the RED's content such as the sustainability criteria. A key requirement of the FQD is that all fuel suppliers (oil companies) must meet a 6 percent cut in GHG emissions by 2020 across all fuel categories supplied to the market. In addition, the FQD limits ethanol blends to 10 percent or less when ethanol is used as an oxygenate. This creates a blend wall in some MS that potentially risks future growth in ethanol consumption. Fuel specifications for biodiesel place limits on the palm oil and soy oil content of biodiesel.

Revision of the RED and FQD

Directive 2015/1513, covering indirect land use change (ILUC), entered into force on October 5, 2015, and amends both the RED and the Fuel Quality Directive (FQD). The ILUC Directive includes the following key elements:

- Fuel suppliers are required to include ILUC emissions in their reports;
- A seven percent cap (energy basis) to the contribution of food crop based biofuels to the 10 percent target for renewable energy in transport by 2020, leaving three percent to be covered by non-food crop based biofuels. MS are free to set lower caps;
- Double counting of the energy contribution of advanced biofuels towards the 10 percent blending target for 2020.

Commission Communication on 2030 Climate and Energy Goals

In January 2014, the EC published its Communication along with a Proposal revising the EU Emission Trading System (ETS). The Communication, which sets out the 2030 framework, includes a reduction in greenhouse gas (GHG) emissions by 40 percent compared to the 1990 level, an EU-wide binding target for renewable energy of at least 27 percent, and renewed ambitions for energy efficiency. The Communication also states that biofuels produced from food based feedstocks will not receive 'public support' after 2020. On October 24, 2014, European Heads of State and Government confirmed the EC's proposal by reaching an agreement on the 2030 Framework for Climate and Energy in an effort to maintain what the EU sees as its global leadership on the climate change issue.

RED post 2020

On November 30, 2016, the EC released the proposal on the Renewable Energy Directive post 2020 (RED II) as part of the comprehensive "Clean Energy for All Europeans" package which included eight legislative proposals. The RED II for the period 2021-2030 seeks to ensure the European Union (EU) meets its binding target to produce at least 27 percent of its energy from renewable sources by 2030. The revised RED sets a cap on food crop-based biofuels starting at 7 percent in 2021 and going down gradually to 3.8 percent in 2030, strengthens the existing EU sustainability criteria including Greenhouse Gas (GHG) savings for biofuels and their extension to forest biomass, solid biomass, biogas as well as efficiency criteria for large-scale biomass and electricity plants. The RED post 2020 proposal follows the ordinary legislative procedure (co-decision) and must be adopted by both the Council and the European Parliament. A possible outcome is foreseen in the second half of 2018.

Biotech

Asynchronous Rate of Approvals on Soybeans

The EU livestock industry relies on imports of genetically engineered (GE) feed with soy products being the single largest agriculture import into the European Union (EU). However, the EU's slow approval of GE events restricts U.S. exports. The delay in approvals creates risks for the trade.
Commission Implementing Regulation (EU) No 503/2013 established requirements for applications for GE approvals, such as 90-day feeding trials. U.S. exporters are facing additional burdens. In addition, the risk assessment process is not only based on scientific rationale, but also on compliance with the law as the requirements are legally binding. Even more important is the fact that major problems with the implementation of current EU regulations on GE products are not addressed, specifically the unpredictable and non-transparent nature of the political decision-making process that follows the safety recommendations provided by the European Food Safety Authority (EFSA).

Low Level Presence

The EU does not have a commercially-viable low level presence policy (LLP). In the fall of 2009, shipments of around 180,000 metric tons of U.S. soy were denied entry into the EU because of the detection of dust from GE corn not yet approved in the EU. As a result of the situation, the EU quickly approved several GE corn products that were stuck in the EU approval process, so that soybean trade could resume.

In response to this incident, the EU announced a "technical solution" in 2011 in an attempt to minimize trade disruptions due to LLP of unapproved GE events in feed imports. The Regulation, Commission Regulation (EU) No 619/2011 which entered into force on July 20, 2011, permits the inadvertent presence in feed shipments of up to 0.1 percent of a GE product unapproved in the EU, if the product is approved in the country of export and it has been three months since EFSA concluded its completeness check.
In effect with this "technical solution", the EU chose not to introduce a commercially-viable policy to address the issue of LLP, but to maintain its zero tolerance position. Although the adoption of the "technical solution" demonstrates that the EC is aware of the problems caused by asynchronous approvals, the fact that the measure is limited to 0.1 percent renders it commercially unviable.

Pesticides

The use of three neonicotinoids (clothianidin, imidacloprid and thiametoxam) has been restricted since December 1, 2013 for a period of two years on crops attractive to honeybees such as rapeseed, sunflowers, and soybeans (by Commission Implementing Regulation (EU) No 485/2013). The EC's action was a response to EFSA's report which identified "high acute risks" for bees by the use of these pesticides. The restrictions applied to seed treatment, soil application (granules) and foliar treatment on bee attractive plants and cereals. The European Food Safety Authority (EFSA) has reviewed the moratorium. The review was expected to be finalized by January 2017, but the deadline has been extended until the fall of 2017 to ensure adequate time to consider the very large amount of information received during the call for data. The restrictions on the use of neonicotinoids remain in place until at least 2018 with only limited, temporary exemptions possible. The EC will propose to further modify the conditions of approval of the three neonicotinoids depending on the outcome of the review.

Review of the EU's comitology rules

On February 14, 2017, the European Commission published a legislative proposal to amend the EU's comitology rules (Regulation EU 182/2011) in a stated effort to make Member States (MS) more accountable for EU legislation. These proposed changes in the decision-making rules would apply to all areas of EU law-making. However, to date, only approval decisions for genetically engineered (GE) products and glyphosate, the active ingredient in a widely used plant protection product, have failed to reach a qualified majority for or against. In these cases, the EC has been obliged to take the final decision. The proposal follows the ordinary legislative procedure (co-decision) and must be adopted by both the Council and the European Parliament.

13. Oilseeds GAIN Reports (EU-28 and Member States since January 2016)

Italian Olive Oil Overview 2016|Oilseeds and Products|Rome|Italy|1/25/2017

Italy is the second largest olive oil producer in the European Union (EU) after Spain and accounts for approximately one-quarter of the EU-28 olive acreage. According to the latest industry estimates, Italy's marketing year (MY) 2016/17 olive oil production is forecast at 243,000 metric tons (MT), a 49 percent drop compared to the previous abundant campaign (475,000 MT) due to sudden alternations of hot, cold, and rainy weather that affected the Italian peninsula throughout the year, combined ...
Italian Olive Oil Overview 2016_Rome_Italy_1-17-
2017

Crop Update July 2016 - Good Crop Despite Delayed Harvest|Grain and Feed Oilseeds and Products|Prague|Czech Republic|8/19/2016

Czech Grain and Rapeseed crop is described as good or average, showing large variability across regions caused by different weather conditions. Total grain crop is estimated at 6,994,894 MT (excluding corn) and rapeseed crop at 1,312,813 MT.
Crop Update July 2016 - Good Crop Despite Delayed Harvest_Prague_Czech Republic_8-16-
2016

Oilseeds Market Update|Oilseeds and Products Grain and Feed Biofuels|Vienna|EU-28|8/8/2016

This report provides EU-28 production, supply, and demand forecasts for major EU oilseeds, protein meals and related products.
Oilseeds Market Update_Vienna_EU-28_8-3-
2016

Biofuels Annual 2016|Biofuels Oilseeds and Products Grain and Feed Agriculture in the Economy Climate Change/Global Warming/Food Security|Prague|Czech Republic|8/2/2016

The Czech Republic implemented the EU legislation and has set targets for greenhouse gas (GHG) savings, for the share of biofuels and renewable electricity in transportation on total consumption, and blending mandates. There are sufficient production capacities and feedstock available to meet those targets. However, a recent increase in the excise tax might challenge meeting those goals in 2017.
Biofuels Annual 2016_Prague_Czech Republic_5-10-
2016

Oilseeds Market Update|Oilseeds and Products|Sofia|Bulgaria|7/5/2016

Bulgarian farmers increased rapeseed planted area by 5% and soybean area was reported to decline by 42%. Although official reports indicate no change in the sunflower area, industry sources and FAs/Sofia estimates see a slight increase at the expense of lower corn acreage. Sunflower planting has been done at a much faster rate than in the previous season and in the optimum timeframe and as of end-May planted area was reported at 10% higher than in 2015. The spring weather conditions to da...
Oilseeds Market Update_Sofia_Bulgaria_6-30-
2016

Only the Reduced Corn Area in Spain prevents from an otherwise Recor|Grain and Feed Oilseeds and Products Biofuels|Madrid|Spain|6/15/2016

Timely spring rains and mild temperatures have contributed to improve yields expectations after a rather dry winter. At the moment, all sources point to a large to average Spanish grains and oilseeds crop. Reduced corn plantings precluded an otherwise record grain crop. The sizeable projected crop and the ample pasture availability will result in somewhat reduced import needs compared to previous seasons, despite the stable demand.
Only the Reduced Corn Area in Spain prevents from an otherwise Recor_Madrid_Spain_6-2-
2016

Oilseed production expected to rebound in Romania|Oilseeds and Products|Bucharest|Romania|4/18/2016

Oilseed planted area is forecast to surge in Marketing Year (MY) 2016/17. Rapeseed area planted in the fall substantially increased and a large output is forecast. In the context of low corn profitability last year, farmers may choose to reduce corn area and replace it with sunflower. Financial incentives in the form of EU coupled support may stimulate farmers to expand further soybean area. Under the assumption of higher yields, Romanian oilseed exports are forecast to climb by 18 percent in MY...
Oilseed production expected to rebound in Romania_Bucharest_Romania_4-13-
2016

Oilseeds and Products Market Update|Oilseeds and Products|Sofia|Bulgaria|4/15/2016

Following a double digit decline in total oilseed production in MY2015/16 due to summer heat and drought, Bulgarian farmers are ready to expand planted areas under sunflower and rapeseed in MY2016/17. The first attempt to grow soybeans in MY2015/16 brought disappointing results and areas are likely to decline in the next season. Provided that weather cooperates, total oilseed production may restore to its higher level and grow by 10% or more compared to MY2015/16. MY2015/16 data to date show...
Oilseeds and Products Market Update_Sofia_Bulgaria_4-11-
2016

Rapeseed and Oilseed Products.|Oilseeds and Products|Warsaw|Estonia|4/14/2016

Total production of rapeseed in MY 2016/17 is forecast to decrease by 4 percent to 170,000 MT in comparison to MY 2015/2016. Although the planted area of rapeseed in MY 2016/2017 is expected to increase by 11 percent in comparison to the previous year and amount to 80,000 hectares, production per hectare is expected to return to an average level and result in lower crop. Please Note: This report is to be read in conjunction with the Annual 2016 EU28 Consolidated Report on Oilseeds and Products...
Rapeseed and Oilseed Products._Warsaw_Estonia_4-5-2016

Rapeseed and Oilseed Products.|Oilseeds and Products|Warsaw|Latvia|4/14/2016

Total production of rapeseed in MY 2016/17 is forecast to decrease by 6 percent to 275,000 MT in comparison to MY 2015/2016. Rapeseed planted area in MY 2016/2017 is expected to increase by 23 percent in comparison to the previous year and amount to 110,000 hectares. After an exceptionally high yield of rapeseed in MY 2015/2016 production per hectare is expected to return to an average level in MY 2016/2017. Increase of planted area of rapeseed stems from growing demand for biofuel production...
Rapeseed and Oilseed Products._Warsaw_Latvia_4-5-2016

Rapeseed and Oilseed Products.|Oilseeds and Products|Warsaw|Lithuania|4/14/2016

It is estimated that after reduction in MY 2015/2016, rapeseed planted area in MY 2016/2017 will increase to 200,000 hectares, and will be 20 percent higher than in the previous year. Lithuanian's total production of rapeseed in MY 2016/17 is forecast to increase by 1 percent to 510,000 MT in comparison to MY 2015/2016. Increase of planted area stems from growing demand for biofuel production and continuing demand for exports of rapeseed within the European Union. Please Note: This report is ...
Rapeseed and Oilseed Products._Warsaw_Lithuania_4-5-2016

Rapeseed and Oilseed Products.|Oilseeds and Products|Warsaw|Poland|4/14/2016

It is estimated that in MY 2016/2017 rapeseed planted area amounts to 940,000 hectares, a one percent decline in comparison to the previous year due to unusually dry weather during the planting season in the fall of 2015. Despite low temperatures and lack of snow cover in December 2015, the development of rapeseed plantings was assessed as well in February 2016 with good prospects for the 2016 harvest. Poland's total production of rapeseed in MY 2016/17 is forecast to increase by 2 percent to ...
Rapeseed and Oilseed Products._Warsaw_Poland_4-5-2016

Select 2016|Oilseeds and Products|Vienna|EU-28|4/12/2016

Total European Union oilseeds area in MY 2016/17 is forecast to increase by about 1.6 percent to almost 12 million hectares. The increase is explained by increasing area of all three major oilseeds – rapeseed, sunflower and soybeans. The higher acreage in combination with more average yields expectations compared to the low yields of sunflower and rapeseed due to drought in MY 2015/16 leads to a forecast of 33.4 MMT for total oilseeds. As of March 2016, planting and growing conditions for oil...
Oilseeds and Products Annual_Vienna_EU-28_4-1-2016

14. Related GAIN Reports (EU-28 since January 2016)

Poultry, Meat, Broiler EU-28 Broiler Exports in 2017 Impacted by HPAI Outbreaks|Poultry and Products|Paris|EU-28|3/13/2017

EU-28 poultry broiler meat production is expected to increase slightly again in 2017 driven by domestic demand. Consumers have been switching to broiler meat from other types of meat because it is less expensive and because of ease in preparation. The ongoing difficult economic situation in the EU-28 region is helping to drive the desire for less expensive and convenient forms of protein, raising domestic broiler meat consumption. In spite of increases in production, EU-28 broiler meat impor...
Poultry and Products Semi-annual_Paris_EU-28_3-8-2017

EC Proposes Changes in Comitology Rules |Biotechnology - GE Plants and Animals Trade Policy Monitoring|Brussels USEU|EU-28|3/1/2017

On February 14, 2017, the European Commission published a legislative proposal to amend the EU's comitology rules (Regulation EU 182/2011) in a stated effort to make Member States (MS) more accountable for EU legislation. These proposed changes in the decision-making rules would apply to all areas of EU law-making. However, to date, only approval decisions for genetically engineered (GE) products and glyphosate, the active ingredient in a widely used plant protection product, have failed to re...
EC Proposes Changes in Comitology Rules _Brussels USEU_EU-28_2-24-2017

Animal Numbers, Cattle, Animal Numbers, Swine, Meat, Beef and Veal, Meat, Swine The EU is Gearing Up for a New Export Record|Livestock and Products|The Hague|EU-28|3/1/2017

The European Union (EU) is forecast to produce and export a record volume of red meat in 2017. While beef production is increasing due to the restructuring of the dairy sector, pork production is also on the rise due to demand from China. Since 2013, the EU has been the biggest pork exporter in the world. This year, pork exports are expected to remain strong as new market openings are being sought and found, and sales are being supported by the acknowledged quality of EU pork and a favorable ...
Livestock and Products Semi-annual_The Hague_EU-28_2-23-2017

EU Egg Producers Seek Relief for Free Range Eggs Impacted by AI|Poultry and Products|Brussels USEU|EU-28|2/9/2017

Farmers union COPA-COGECA joined forces with EU egg packers and retailers to ask the European Commission to take measures for free range egg producers. EU producers of free range eggs are facing considerable financial loss as ongoing veterinary measures against Avian Influenza (AI) will force them to label their production as “barn” eggs instead of “free range”, which engenders forgoing a 15-20 percent price premium. While this doesn’t affect the total market supply of eggs, retail shelves ma...
EU Egg Producers Seek Relief for Free Range Eggs Impacted by AI_Brussels USEU_EU-28_2-6-2017

2017|Biotechnology and Other New Production Technologies|Paris|EU-28|12/16/2016

The European Union’s complex policy framework developed under pressure from anti-biotech activists has limited research, development, and production of biotech crops. Consumers, governments, industry, non-governmental organizations, and the media remain conflicted about the use of agricultural biotechnology. Acceptance varies widely across countries. EU institutions are still working on the way innovative biotechnologies (also called new breeding techniques) should be regulated. A few Membe...
Agricultural Biotechnology Annual_Paris_EU-28_12-6-2016

Dairy, Milk, Fluid, Dairy, Cheese, Dairy, Butter, Dairy, Milk, Nonfat Dry, Dairy, Dry Whole Milk Powder Stabilization on the EU Dairy Market.|Dairy and Products|Warsaw|EU-28|10/19/2016

It is expected that in 2016 milk deliveries in the European Union will increase by 1.1 percent and stabilize in 2017. In 2016 increased milk production is expected to be mainly processed into cheese and butter which remain in demand on the world market and non-fat dried milk (NFDM) used by the EU in the market intervention programs. The European Commission (EC) continued intervention on the dairy market in 2016 through subsidizing public stocks of NFDM, and private storage of NFDM, butter and ...
Dairy and Products Annual_Warsaw_EU-28_10-14-2016

Poultry, Meat, Broiler EU-28 Broiler Sector to Grow Again in 2016 and 2017|Poultry and Products|Paris|EU-28|9/16/2016

The EU-28 broiler sector is expected to grow in 2016 and 2017, benefiting from slowly increasing demand, since it has been less affected than other meats by the economic downturn in Europe. Brazil and Thailand will remain the largest suppliers of broiler meat to the EU-28, with Ukraine becoming the third largest supplier after being granted a TRQ for broiler meat. EU-28 broiler meat exports are expected to increase in 2016 and 2017, despite the continuing Russian embargo, driven by booming expor...
Poultry and Products Annual_Paris_EU-28_9-8-2016

Select Sustained EU pork supply through 2017|Livestock and Products|The Hague|EU-28|9/12/2016

The liberalization of the dairy market led to a strong increase of the slaughter of dairy cows. While the dairy cow herd is shrinking, the beef cow herd is slightly growing. The elevated beef supply is anticipated to be absorbed by the domestic market. EU pork prices recovered from record lows to average levels solely due to the hike in Chinese demand for pork. Improved profitability is expected to sustain EU pork supplies through 2017. Given the saturated domestic market, and the strong de...
Livestock and Products Annual_The Hague_EU-28_9-6-2016

Oilseeds Market Update|Oilseeds and Products Grain and Feed Biofuels|Vienna|EU-28|8/8/2016

This report provides EU-28 production, supply, and demand forecasts for major EU oilseeds, protein meals and related products.
Oilseeds Market Update_Vienna_EU-28_8-3-2016

EU Biofuels Annual 2016|Biofuels|The Hague|EU-28|7/4/2016

In 2015, the European Commission (EC) officially introduced a seven percent cap on food based biofuels thus limiting future production of these first generation or conventional biofuels and ensuring that only the most efficient plants will continue operating. Meanwhile, incentives to encourage second generation or advanced biofuels, such as the production of hydrogenated vegetable oils (HVO) have been very successful. The commercialization of cellulosic ethanol is lagging behind compared to the...
Biofuels Annual_The Hague_EU-28_6-29-2016

Biofuel Mandates in the EU by Member State - 2016|Biofuels Trade Policy Monitoring|Berlin|EU-28|6/29/2016

This report provides an overview on the biofuel use mandates in the various EU-28 member states. It supplements the EU-28 Biofuel Annual Report.
Biofuel Mandates in the EU by Member State - 2016_Berlin_EU-28_6-22-2016

EU's General Court rules against anti-dumping duty on U.S. ethanol|Biofuels|Brussels USEU|EU-28|6/22/2016

On June 9, 2016, the European Union (EU) General Court ruled that the European Commission (EC) violated its own laws by issuing a country-wide anti-dumping (AD) duty on imports of U.S. ethanol. The exact interpretation of the ruling as well as its implications for U.S. bioethanol exports to the EU are currently unknown. The EC has two months to file an appeal of the ruling, during which time the AD duty will remain in place. Although there have been some developments since AD duties were imp...
EU's General Court rules against anti-dumping duty on U.S. ethanol_Brussels USEU_EU-28_6-17-2016

Dairy, Milk, Fluid, Dairy, Cheese, Dairy, Butter, Dairy, Milk, Nonfat Dry, Dairy, Dry Whole Milk Powder Quo Vadis EU Dairy Production?|Dairy and Products|Warsaw|EU-28|5/18/2016

Despite the drop of farm-gate milk prices and reduced export demand for dairy commodities, deliveries of milk in the European Union increased by over 2 percent in 2015 and are expected to continue to grow in 2016. Increased milk production is expected to be mainly processed into butter and non-fat dried milk, which remain in demand on the world market and are easy to store under the EU market intervention programs. In early 2016 the European Commission introduced additional market intervention...
Dairy and Products Semi-annual_Warsaw_EU-28_5-11-2016

Select 2016|Grain and Feed|London|EU-28|4/7/2016

Following good planting conditions in the fall and a mild winter across the EU28, the current outlook for the MY2016/17 EU28 grain crop is positive. If there is any concern it is that the EU28 grain crop is ahead of normal and could be susceptible to damage from a cold snap. Spring planting is now under way. Total feed grain consumption in MY2016/17 is forecast marginally down on the high levels seen in the previous two seasons but with a partial reversal of the switch away from corn to wheat...
Grain and Feed Annual_London_EU-28_4-1-2016

Poultry, Meat, Broiler EU-28 Broiler Meat Production to Increase Again in 2016|Poultry and Products|Paris|EU-28|3/3/2016

The EU-28 broiler meat production is expected to increase in 2016. Consumers have been switching from other meats to broiler meat (cheaper and more convenient), due to difficult economic situation in the EU-28 region, driving increases in domestic poultry consumption. EU-28 broiler meat imports are still forecast to remain flat in 2016 with lower imports from Brazil and higher imports from Ukraine. EU-28 broiler meat exports in 2016 are expected to increase slightly despite lower exports to So...
Poultry and Products Semi-annual_Paris_EU-28_2-29-2016

Select EU Pork Exports Forecast to Reach a New Record|Livestock and Products|The Hague|EU-28|2/24/2016

Changes in EU livestock policies led to a surge of beef and pork production in 2015. This year, production is expected to remain high. As the domestic and export market is unable to absorb the additional supply, meat is being stockpiled. These quantities are impacting prices, and will support a further export growth of both beef and pork through 2016.
Livestock and Products Semi-annual_The Hague_EU-28_2-19-2016

Legal Opinion on New Plant Breeding Techniques (NBTs) to be Publishe|Biotechnology and Other New Production Technologies|Brussels USEU|EU-28|2/19/2016

The legal analysis carried out by the European Commission (EC) on whether or not certain New Plant Breeding Techniques, known as NBTs, fall under the scope of the European GMO legislation is expected to be published during the first half of 2016. The Commission's legal interpretation will likely impact the use of these technologies in both private and public sectors' efforts to innovate plant breeding in the EU and globally.
Legal Opinion on New Plant Breeding Techniques (NBTs) to be Publishe_Brussels USEU_EU-28_2-16-2016